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Big Sky Value...

Montana Tourism & Recreation Strategic Plan 2003 - 2007



PREPARED BY

THE HINGSTON ROACH GROUP, INC.

IN ASSOCIATION WITH

PREMIER PLANNING & AMY HAYS

SEPTEMBER 2002

SPONSORED BY

MONTANA DEPARTMENT OF COMMERCE PROMOTION DIVISION

MONTANA TOURISM & RECREATION INITIATIVE (MTRI)



Montana's Public Land Base

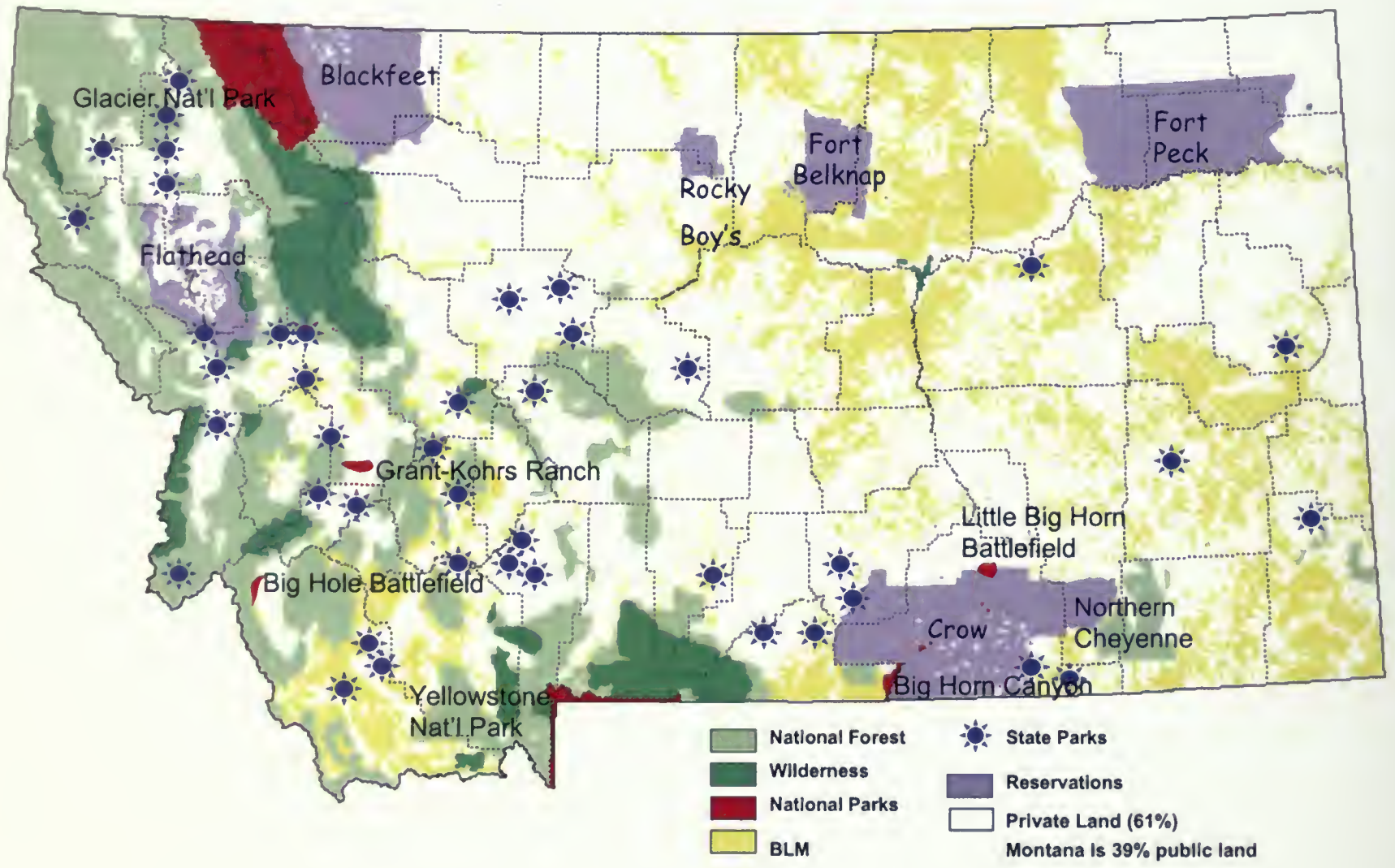


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Big Sky Value...

Montana Tourism & Recreation Strategic Plan 2003-2007

Tourism and recreation in Montana are at an historic moment. Decisions made – and actions taken – in the next five years will affect Montana's environment, its economy and its citizens for decades. Those decisions and actions must be strategic, and consistent with the values and priorities of Montanans. As the state faces perhaps the largest tourism event in years – the Lewis & Clark Expedition Bicentennial – this Tourism and Recreation Strategic Plan serves as a guide for tourism and recreation leaders as they develop plans and programs for the Bicentennial years and beyond. Tourism can enhance Montana's economy and create jobs, but it also can create challenges. The key is to target high-value, low-impact visitors; to focus resources strategically on sustainable tourism activity that enhances Montana's economy while meeting the needs of Montanans and nonresident visitors in a changing tourism marketplace. There is much at stake.

Tourism is Montana's 2nd Largest Industry, Generating \$1.7 Billion per Year

Montana hosted 9.6 million nonresident visitors in 2001. About 59% of them visited in summer, 20% in winter, 11% in spring and 10% in fall. They had a tremendous economic impact on the state:

- **Nonresidents spent \$1.7 billion in Montana;** \$1.2 billion for retail items, restaurant & beverage, gas and groceries, or 12% of all statewide sales in those retail goods categories
- **Tourists ate 110,000,000 meals in Montana, or 2.1 million per week;** \$332 million spent on restaurant meals and beverages, another \$125+ million on groceries and snacks
- **Nonresident traveler expenditures accounted for \$336 million in 2000 employee compensation**
- **Approximately half of all commercial airline passengers flying to/from Montana in 2001 were nonresidents¹;** without tourism, Montana could lose a significant portion of its current airline service, negatively affecting other business sectors and economic development efforts

Tourism is an essential element of Montana's economy. Tourism development strategies must be informed by – and integrated with – all of Montana's natural and economic assets: agriculture, mining, forestry, technology, manufacturing, construction and education. This Tourism and Recreation Strategic Plan was developed in the context of tourism's role in Montana's overall economic picture.

Montanans view tourism as an essential component of the state's economy; however, they want the kinds of tourism that maximize benefits to their communities and businesses, while minimizing

Executive Summary

- ❖ Economic Impacts of Tourism
- ❖ Tourism Challenges, Threats, Opportunities & Markets
- ❖ Strategic Planning Process
- ❖ 5-Year Tourism Strategy
- ❖ Objectives & Actions
- ❖ Implementation & Timeline

The 2003-2007 Strategic Plan will guide tourism & recreation in Montana for the next five years & beyond. There is much at stake.



Tourists ate 110,000,000 meals in Montana in 2001, or 2.1 million per week, spending \$332 million in restaurants. Better linkages are needed between tourism & Montana agriculture.

¹ Univ. of Montana Institute for Tourism & Recreation Research, Winter/Spring/Summer 2001; MDT-Aeronautics Division

Spending by nonresident summer travelers dropped by \$28.5 million from 1996 to 2001

Nationally, people are taking shorter vacations; Montana is at a disadvantage because of its distance to major markets.

Strategic, targeted promotions are needed to maintain Montana's market share against increasing competition.

2001 Uses of Montana Lodging Tax

Tourism Promotion, Dev't & Staff:

Dept. of Commerce*	\$6,294,078
16 Tourism Regions/CVBs	2,446,680

Community Grants (DOC):	280,000
Community Tourism Assessment	
Tourism/Rec'n Infrast., Events	

MT Fish, Wildlife & Parks	706,819
---------------------------	---------

MT Historical Society	674,702
Historical sites/signs	
L&C Bicentennial Commus./grants	
Capitol tours, Scriver Collection	

MT Heritage Preservation	400,000
& Development Commission	
Acquire/manage historic property	

Univ. of MT/ITRR - Research	271,853
-----------------------------	---------

MT Int'l Trade Program (DOC)	200,000
------------------------------	---------

Agency Lodging Reimbursement	150,014
State employee lodging	

Dept. of Revenue	115,395
Tax collection/admin/enforcement	

TOTAL: \$11,539,542

* \$2.6 million spent on Montana advertising

impacts on their own outdoor recreation experiences, and on Montana's outstanding natural, historic and cultural assets.

Tourism Faces Challenges of Competition, Seasonal Declines and Impacts on Assets

Tourism in Montana experienced extraordinary growth from 1990 to 2000; however, statewide activity has leveled off since 1998. In some areas, in certain seasons, tourist traffic or use is heavy and there are impacts. In other seasons and at other locations, facilities and services are utilized well below capacity. Challenges and threats related to Montana's tourism and recreation include:

- Year-round tourism has increased, but summer visitation & spending dropped from 1996-2001; spending decreased by \$28.5 million – average travel group size & length of stay decreased.
- Hotel occupancies in Montana vary greatly by region & season, reaching 80% from July-Sept., but dipping below 60% from Oct.-May, which is below break-even point for most businesses
- Tourism seasonality creates instability and increased costs in other sectors: labor, housing, finance, wholesale, retail, distribution, food & beverage, insurance and transportation all suffer when tourism drops – businesses/airlines must raise prices to make up for seasonal fluctuations
- Montana is being outspent by other states as much as 10-to-1 in tourism promotion; and the state has competitive disadvantages in image/distance from markets, requiring highly targeted marketing
- Costs to operate and maintain natural/historic/cultural assets have increased with use, and stable funding sources are needed to prevent degradation and provide high quality experiences
- Visitors seeking certain outdoor recreation activities impact Montanans' recreation experiences, so a shift in target markets is needed to attract high-value, low-impact visitors
- Conflicts about land/water access & management have escalated with increasing use; solutions, including compromises, limits & allocation, are needed to address management conflicts
- Management of natural/historic/cultural assets & promotions requires accurate data tracking, in order to determine visitor counts, trends, impacts & return on investment of promotion funds
- Two-thirds of Montana businesses have fewer than 10 employees (excluding self-employed) – technical assistance is needed to maintain Montana's family-owned businesses
- Montana's lodging tax was created to fund tourism promotion, research & industry education (similar to a commodity "check-off" program); diversion of the funds for other purposes will diminish their effectiveness, creating a downward spiral of tourism revenues
- Strong teams & partnerships are needed to successfully implement the Tourism Strategic Plan

Changing Tourism Trends Present New Market Opportunities for Montana

Nationally and internationally, the tourism industry has changed dramatically over the past decade. Customer tastes, preferences and travel planning methods are very different. So are transportation and Montana's national and international competition. These trends offer Montana opportunities to focus on attracting high-value, low-impact tourists:

- **The Time Crunch Affects Travel Planning:** weekend trips (1-5 nights) are up 70% in past decade to 54% of all U.S. travel; longer trips declining; 59 million people use Internet to plan trips
- **Women Make the Decisions:** women make 75% of all travel decisions; top concerns are safety, hygiene, "creature comforts," shopping, convenience ("one-call," all-inclusive packages)
- **Mature Travelers Rule:** Americans over 50 comprise 80% of all leisure travel; control 75% of the nation's wealth; seek active experiences, heritage/culture, soft adventure; travel in off-peak times
- **Family Values are Back (Families are Blended & Multi-Generational):** family travel is up; seek value for the money, variety of things to do, activities designed (and packaged) for kids
- **History & Culture are the #1 Attraction:** 65% of all U.S. travelers include heritage/cultural experiences on their vacations; segment is more educated/affluent than average traveler
- **Festivals Attract One-Fifth of All Travelers, esp. Young Families:** most popular events are music, ethnic/folk/heritage, county/state fairs, parades, food festivals and religious festivals
- **Rural Places are Appealing:** 62% of all U.S. adults visited small town/village; 33% took kids
- **Packaged Niche Products are Key to Success:** travelers want experiences tailored to their tastes
- **Business Travelers Deserve More Attention:** business travelers spend most, stay 3.3 nights, combine business with vacation travel; potential targets for Montana business recruitment efforts
- **Non-Business Meetings & Conventions are Big Business:** 27 million U.S. attendees in 1999; most popular are religious, self-improvement/education, hobby-related; spent \$529/trip
- **Canadians are Returning:** visitation to U.S. up 9% from 1998-2000; 59% planning/considering travel to U.S. in 2002; 81% prefer packaged vacations, like deals; 87% will use Internet to plan
- **Europeans Spend Five Times More Time & Money:** \$1,530/trip; like rural places, off-peak times
- **Adventure and Geo-Tourists are Large Markets:** 92 million soft adventure (camping, hiking, biking, skiing, horseback riding), 31 million hard adventure (rafting, climbing, mtn biking)
- **Sportsmen Numbers Remain Steady, More Women Join the Club:** 2/3 are men, but women catching up; hunter #'s up 250,000+ nationally 1998 to 1999; more fishermen traveling to fish
- **Tourists Shop 'Til They Drop:** #1 activity of leisure travelers (63% shop), 1-in-5 spend \$500+
- **Montanans Spent \$707 Million Outside the State in 1999:** 75% of Montanans take one or more leisure trips annually (higher than national average), spent \$962 million in 1999 (9.5% of income)

Market Opportunities for Montana

Attract higher-value, lower-impact visitors:

- Create weekend getaway packages targeting nearby metro markets in shoulder seasons
- Promote "softer side," amenities to women
- Target mature travelers, provide services
- Create packages/destinations for families
- Showcase Montana's heritage/culture
- Promote festivals & events, esp. L&C events
- Focus on rural appeal, but nearby amenities
- Develop specialty/niche packages & products
- Encourage extended stays, add-ons for business travelers
- Attract more meetings & conventions
- Increase promotions targeting Canada
- Promote specialty itineraries for Europeans
- Highlight guided (vs. self-guided) adventures
- Promote limited guided hunting & fishing for highest return, lowest impact on residents
- Showcase Montana's unique shops, products
- Encourage Montanans to visit their backyard, keep more "Montana money" at home



Beartooth Highway

National Image of Montana

A 1999 study of consumers in four key metropolitan travel markets revealed potential traveler images about Montana:

Positive Images

- Vast, unspoiled landscapes
- Mountains, water
- Fishing, hunting, hiking, camping
- Western culture: "Cowboys & Indians"

Negative Images

- Lacks sophistication, culture, arts
- Few high quality amenities
- Things to "see", but not to "do"
- Not "kid-friendly", safety concerns
- Hard to access, difficult to purchase

Source: MT Image & Positioning Assessment, 12/99

Montana's Competitive Advantage

The advantages that Montana has over its competitor states can be summarized by the following descriptors:

- Uncrowded
- Clean air and water
- Healthy and abundant wildlife
- Outstanding historical attractions (authentic, not "Disney")
- 2,000 miles of the Lewis & Clark Trail
- Casual but classy cultural & urban amenities
- Safe
- Good highway/road system
- Genuine, friendly people
- Good value for the money

Montana's Competition has Similar Attractions, Better Access by Air

Research by the American Travel Survey shows that Montana's main competitor states are California, Nevada, Idaho, Utah, Washington, Oregon, South Dakota, Arizona and Colorado. They, too, offer outstanding natural landscapes, national parks, and interesting history and historical sites. But they have advantages in a number of key areas:

- More urban amenities: shopping, dining, culture
- High quality entertainment (opportunities to enjoy "name" entertainment and nightlife)
- More packaged, age-appropriate activities for children
- Convenient access (especially direct flights from major metro areas)

Top Priority Target Markets Emphasize High-Value, Low-Impact Visitors

The planning team recommends the following demographic and geographic target markets, based on an analysis of current trends, conditions, challenges, threats and Montana's tourism vision, goals and competition:

Demographic

- Mature travelers, income \$75,000+
- Couples, income \$75,000+
- Conventions & meetings, esp. non-business
- Heritage/cultural travelers, esp. L&C
- Families with children, income \$75,000+
- Guided adventurers, income \$75,000+

Geographic

- Nearby states/provinces for weekend getaways, conferences, skiers
- California for vacationers
- Southwest for matures
- Midwest for families, skiers
- Eastern metro markets for vacationers
- Europe for couples, families, adventurers
- Montanans for more money kept at home

Montana's 2000-2001 Nonresident Tourist Markets



Actual 2000-01 Visitors

From ITRR Research:

- Winter
- Spring
- Summer
- Fall

From FWP License Sales:

- Nonresident Hunters

From Internet Conversion Research:

• MT Web Site Users

State/Regional Targets 2001:

- Travel Montana
- Region/CVB

- Nonresident Fisherman

Tourism Strategic Planning Process was Inclusive & Multi-faceted

This Strategic Plan contains many "fingerprints" – the ideas, concerns, input and wisdom of Montanans from many communities, sectors and organizations. Plan stakeholders – the partners -- include private businesses, regional tourism organizations, chambers of commerce, convention & visitors bureaus, state and federal agencies, universities and colleges, tribes, heritage and cultural organizations, business trade associations, agriculture organizations, sportsmen's and conservation groups, and elected officials.

The Plan was developed on the principles of community-based strategic planning, involving partners at all levels in a collaborative planning process. Public outreach was key to the plan's development (see figure to the right). This Strategic Plan, completed in Fall 2002, reflects local values and priorities regarding tourism development, potential impacts, long-term economic diversification and promotion. Successful implementation will require strategic cooperation and assistance of all partners.

Stakeholders Identified Vision, Guiding Principles, Goals, Objectives & Actions

At the initial public meetings that identified the elements of Montana's vision for tourism in 2007 (and beyond), there was surprising consensus expressed by Montanans from a wide variety of perspectives, sectors and geographic locations. The vision statement has five components presenting a "desired future condition" for tourism and recreation in Montana. Below is a summary of the vision :

VISION: *It is the year 2007. Tourism and recreation in Montana has achieved the following:*

Balance. Montana's unique character and sense of place are retained while providing quality experiences for both residents and nonresident visitors

Cooperation. Effective public-private-nonprofit-tribal partnerships are engaged in visionary, collaborative planning and implementation efforts which foster economic growth and stability, while respecting the values of Montanans.

Support. Sufficient financial and technical assistance are available from various sources to support effective tourism marketing/research, management of natural/historic/cultural assets, and business development.

Respect. Tourism is recognized as an essential element of Montana's economy and social well-being.

Accountability. A comprehensive evaluation system is being used to measure and track the success and the impacts of tourism development and marketing, consistent with the strategic goals and objectives.

Strategic Plan Public Outreach Efforts included the Following:

- 8 public meetings, 400 attendees (Kalispell, Missoula, Great Falls, Billings, Miles City, Glasgow, Bozeman and Butte)
- Meetings with industry, ag, conservation, culture and other stakeholder groups
- Presentations to TAC, MTRI, regions/CVBs and Governor's Conference on Tourism (October 2001, February, April, June and October 2002)
- Online survey of representatives from 75 stakeholder groups, 250 participants
- Direct communication with stakeholder representatives, over 650 comments
- Public comment throughout process

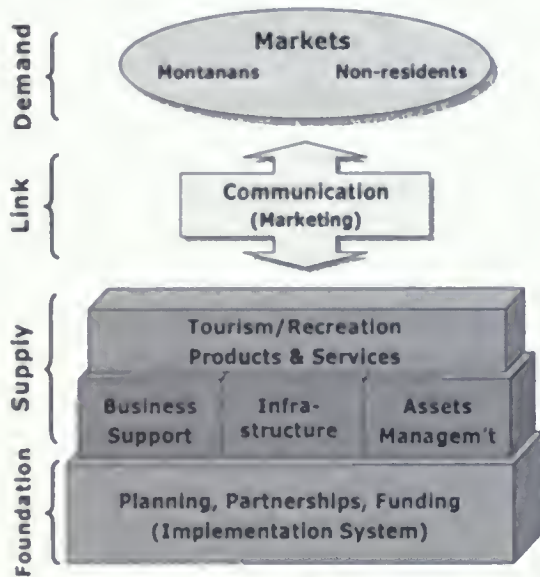
"For the first 100 years of its history, Montana was a 'Company Town.' We have not yet built a strong entrepreneurial legacy in this state."

- Local Montana Economic Development Director



Information-gathering for Strategic Plan

Strategic Plan's Market-Driven Approach



Notes:

Infrastructure refers to tourism-related facilities, signs, visitor centers, transportation, utilities, etc.

Assets Management refers to sustainable management of MT's natural, historic & cultural assets

Strategic Plan Guiding Principles

- Serve Montanans' needs first
- Manage for sustainability
- Maximize economic & social benefits
- Retain local control
- Respect Diverse needs & perspectives
- Collaborate to resolve issues

Strategic Plan has a Market-Driven Approach: Serve Needs of Montanans & Visitors

Successful tourism and recreation require a market-driven approach (see figure at left). In this case, Montanans and nonresidents are the markets, or "Demand". The product, or "Supply", is the tourism and recreation products/services offered by the public, private and nonprofit sectors (parks, forests, hotels, restaurants, tours, events, airlines, museums, etc.). The quality and success of the product depends upon the building blocks of effective business support services (technical, financial), adequate infrastructure to support tourism (transportation, signs, restrooms, telecommunications services, etc.), and balanced management of Montana's natural, historic, and cultural assets. The "Foundation" of the system is effective, informed planning and partnerships, with adequate funding for implementation. The link between Supply and Demand is communication: marketing, promotion and public relations.

Guiding Principles Define the Plan's Values, or "Moral Compass"

There are many ways to "do" tourism. Montana businesses, citizens and stakeholder groups who participated in the planning process expressed that tourism in Montana should be a high quality experience which respects and celebrates Montana's unique heritage and character, not a "tacky tourist trap." They also want tourism to be sustainable: tourism should contribute to the economy without sacrificing long-term benefits for short-term profits.

The Montana Tourism & Recreation Strategic Plan is guided by six principles. These principles reflect the values, or "moral compass," expressed by Montana citizens through the planning process. They are the standards by which all tourism and recreation programming and actions should be evaluated and prioritized. The guiding principles are:

- Serve the needs of Montanans first: retain Montana's character, sense of place and assets while providing economic benefits for citizens and businesses
- Manage for sustainable, high-quality visitor experiences: practice good stewardship
- Maximize economic and social benefits by targeting high-value, low impact visitors
- Retain local control of decision-making about types and quantities of visitors to invite
- Respect diverse needs, perspectives and concerns in tourism planning and promotion
- Collaborate to resolve issues through positive, inclusive, solutions-based processes

If tourism and recreation planners, marketers and stakeholders adhere to these principles as they implement strategic actions over the next five years and beyond, Montana can achieve the vision for tourism outlined on the previous page.

Seven Strategic Goals Provide Framework for Plan's Objectives & Actions

There are seven broad goals toward which action will be focused to attain the vision for 2007:

1. Enhance awareness and support for tourism and recreation among Montana citizens and elected officials, including additional funding sources to support sustainable tourism.
2. Increase four-season tourism revenues in all regions of the state, through enhancement of products/services that focus on high-value, low-impact visitors, especially heritage and cultural tourists.
3. Implement a more coordinated, proactive system to manage, enhance and protect Montana's natural, historical and cultural assets with balanced, sustainable levels of resident and nonresident visitor use.
4. Improve and maintain tourism and recreation infrastructure to support high quality resident and nonresident visitor experiences.
5. Nurture desirable business growth and diversification in the tourism and recreation industry through business support services and technical assistance.
6. Communicate with the markets through highly targeted promotions that increase awareness and attract desirable tourists; measure, track and evaluate tourism results and trends.
7. Build an effective tourism and recreation "team" to facilitate partnerships, share information and leverage funding/technical resources in order to realize the vision for 2007.

Strategic Framework has 3 Elements: Information, Assets & Teams

To accomplish the strategic goals, the planning team worked with Montana's tourism and recreation stakeholders to identify specific objectives and actions. The seven goals originally generated forty-two objectives and one hundred and fifty specific actions. Those objectives and actions were then prioritized, consolidated and grouped into three key elements that make up the strategic framework:

1. Managing Information
2. Managing (the Use of) Assets
3. Creating Teams

Collection and dissemination of accurate information is critical to good business decisions, asset management decisions and public policy. As visitation, or use, increases, the level of asset management also must increase ("the more guests you have in your home, the more you must vacuum the carpet").

The key to effective implementation of the Strategic Plan actions is to build stronger collaborative teams at the state and regional levels between private, public, tribal and nonprofit sector partners.

"Tourism and recreation are crucial components of a healthy society, just as essential as other state services such as schooling, sanitation, and justice. The vision for tourism and recreation in Montana should reflect that."

- Citizen at public meeting



Canoeing on the Missouri River

"Vision is the world's most desperate need. There are no hopeless situations, only people who think hopelessly."

- Winifred Newman



New Montana Rest Area Design

Strategic Plan Priority Action Areas

- **Managing Information:**
 - Build awareness: tourism & lodging tax
 - Coordinate ads & promotion: state, regions - public relations, packaging
 - Tracking & research
 - Develop MT niche in focused markets
 - Info-sharing: collect/disseminate
- **Managing (Use of) Assets:**
 - Balance between asset protection & visitor/business needs
 - Access to public/private lands
 - Transportation system & signs
 - Good stewardship of natural/historic/cultural assets, some limits
 - Visitor information/interpretation
 - Enhanced communities, facilities
- **Creating Teams:**
 - Linkages between agriculture & tourism
 - Partnerships to address asset mgmt
 - Business assistance
 - Entrepreneurial opportunities
 - Funding partnerships/other sources
 - Enhanced "edu-structure"
 - Effective Plan implementation

Strategic Plan Contains 22 Objectives, 94 Actions and Priorities for Implementation

Over the next five years, Montana's tourism and recreation partners will have ample opportunity and incentive to build stronger collaborations as they work to achieve the Strategic Plan's objectives and actions. A Strategic Plan Objectives and Actions quick reference spreadsheet is contained in Table ES-1.

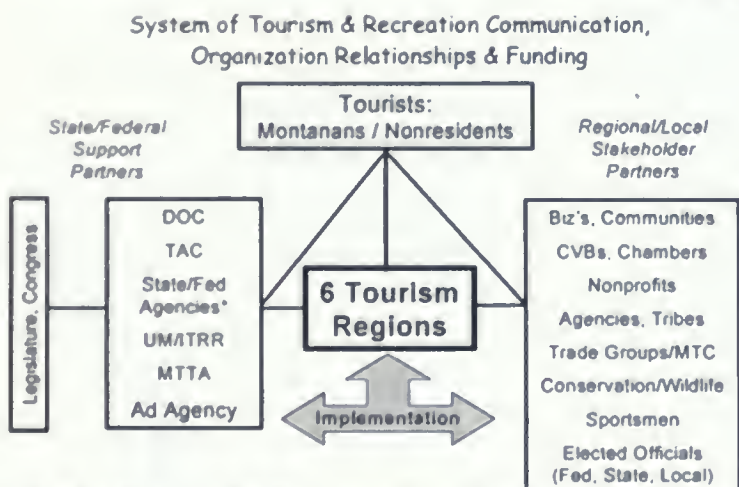
Not all the Plan's actions will or can be implemented immediately. The strategic planning team developed a priority list of actions based on the context of current tourism trends and challenges, as well as balance and capacity among the partners and their resources. These are summarized in the box at left.

The Implementation System: Enhanced Partnerships, Regional/Local Involvement

During the past decade, Montana's lead tourism players have focused primarily on promotion activities – building Montana's image and "getting the word out" beyond the state's borders. The success is evident. To be responsive to the *future* needs of Montanans, and to changing markets, a broader, more collaborative role is needed. Effective implementation of this Plan – to best serve the customer and the tourism industry (private, public, tribal and nonprofit stakeholders) – requires enhanced partnerships.

The tourism communication system depicted below can tap additional resources: more partners bring more resources to the table. There are numerous federal, corporate and foundation programs available for tourism and recreation-related projects, if they are linked to economic development, heritage/culture, value-added agriculture, transportation, conservation and education. By reaching out to other partners, tourism stakeholders can create win-win programs to achieve the vision and goals identified in this Strategic Plan. They therefore can preserve the lodging tax for its original intent:

promotion, research and stakeholder education, and they can work with partners to obtain other funds to accomplish additional actions that support community values and high-value, low-impact tourism and recreation.



Next Steps Require Teamwork & Collaboration to Achieve Vision and Goals

Extraordinary opportunities await Montana's tourism and recreation stakeholders! True teamwork and collaboration will result in achieving the vision and goals described in this Strategic Plan. The Plan provides the blueprint for action. It is now up to all of Montana's tourism and recreation partners, including elected leaders, to seize the opportunity and move forward proactively with implementation of this Plan. The result will be economic development and quality of life benefits for all Montanans.

* FWP, MHS, MDT, MAC, DOR, MHPDC, UM/MSU, DNRC, USFS, BLM, NPS, USFWS, COE, BIA, BOR

Table ES.1: Strategic Plan Objectives and Actions

Objective Action	Priority	Timing					Partners (See page ES-12 for key to codes)
		03	04	05	06	07	
A. Managing Information							
A.1 Maintain the Montana Lodging Tax for Tourism Promotion and Development							
A.1.1 Build citizen awareness about benefits/impacts of tourism and uses of lodging tax	1						DOC,TR,CVB,FWP,Ext, BTA,Biz,Ad,NPO,MTC,ITRR,MTTA
A.1.2 Build awareness among elected officials about tourism's impacts and benefits	1						TR,CVB,DOC,TAC,MTC,BTA,Biz,MTRI,ITRR,NPO,MTTA
A.1.3 Seek endorsements from communities and "non-tourism" organizations	2						MTC,BTA,NPO,CVB,TR,DOC,TRB,TAC
A.2 Conduct Strategic Promotions that Attract Top Priority Markets							
A.2.1 Coordinate advertising to maximize state, regional & private Return on Investment	1						Ad, DOC,TR,CVB,Biz,Attn
A.2.2 Encourage cross-promotion between tourism partners and sectors	2						DOC,Ad,DOAg,NPO,TR,BTA,Trb,Biz
A.2.3 Consider options for film production incentives	3						DOC,TAC,TR,CVB,Biz
A.2.4 Plan for promotion of special events & challenges	3						DOC,MLCBC,TR,CVB,NPS,Biz,Ad,FWP
A.3 Create New Tourism & Recreation Products through Packaging							
A.3.1 Assess potential for local/regional packages, & coordinate suppliers	2						TR,CVB,Biz,Attn, NPO,DOC,Trb
A.3.2 Promote off-peak weekend getaway packages/events to "nearby" markets	2						DOC,TR,Biz,CVB
A.3.3 Capture more pass-through travelers with mini-packages	2						Biz,CVB,Attn,TR,DOC,Trb,CC
A.4 Create New "Destinations" with Special Designations & Events							
A.4.1 Work with MDT & legislature to implement Montana byways & corridors programs	2						MDT,TR,Trb,NPO,Biz,MHS,CVB,L6,CC,DOC
A.4.2 Use collaborative efforts to create special designation areas	2						MDT,TR,CC,CVB,DOC,NPO,Trb,L6,Biz
A.4.3 Seek opportunities to host national/international sports competitions	3						CVB,Biz,TR,DOC,L6
A.5 Enhance Montana's Winter Recreation Products/Services							
A.5.1 Refine Montana's niche in the destination ski market & snowmobile markets	1						DOC,BTA,Ad,Biz
A.5.2 Package skiing & snowmobiling with other activities	2						BTA,TR,CVB,Biz,Attn,NPO
A.5.3 Expand "alternative" winter activities	2						TR,CC,CVB,Biz,Attn,NPO, Trb
A.6 Attract More Meetings & Conventions to Montana							
A.6.1 Refine Montana's niche and "brand" in the meeting/convention market; determine feasibility of enhanced facilities	1 2						CVB,DOC,BTA,Biz,Ad,L6 CVB,DOC,BTA,Biz,Ad,L6
A.6.2 Conduct training on the needs & trends of meeting/convention markets	2						CVB,DOC,Biz,BTA,Univ
A.6.3 Use local historical/cultural attractions to enhance venue offerings	2						CVB,TR,Biz,Attn,MAC,MHS, NPO
A.7 Enhance System of Tracking, Analysis & Information Dissemination for Stakeholders							
A.7.1 Continue strategic research about resident & nonresident travelers	1						ITRR,BBER,DOC,TAC,TR,MLCBC,SA,FA,Biz
A.7.2 Regularly measure Montanans' opinions about tourism & recreation	1						ITRR,DOC,TAC,MTRI,SA,FA,Biz
A.7.3 Conduct regular conversion research to measure results of marketing efforts	2						DOC,TR,ITRR,Ad,CVB
A.7.4 Establish a central "clearinghouse" for data collection, analysis and reporting	1						ITRR,DOC,TR,MTRI,CVB,Attn,Biz, MTTA
A.7.5 Create a statewide "baseline" database of tourism & recreation assets	2						ITRR,DOC,TR,DOR,MTRI,BTA,MRPA,MTTA
A.7.6 Enhance data-gathering systems at attractions & VIC's	1						MTRI,TR,VIC,CVB,CC,Trb,DOC,ITRR
A.7.7 Upgrade lodging tax reporting systems at Montana Department of Revenue	2						DOR,DOC,BTA,ITRR
A.7.8 Coordinate with the private sector for enhanced tracking/reporting	3						CVB,CC,TR,BTA,ITRR,DOC
A.8 Create a Connected System to Share Information & Resources							
A.8.1 Create a tourism & recreation listserv to share information	1						ITRR,DOC,MTC,MTRI,MTTA,TR,NPO
A.8.2 Create a database of tourism/recreation technical & funding resources	3						DOC,MEDIA,BBER,MRDP,DLI
A.8.3 Share information about state/regional advertising plans to facilitate coordination	1						DOC,Ad,TR,CVB,Biz
A.8.4 Enhance sharing of tourism & recreation photo libraries	3						DOC,TR,CVB,NPO,MTRI

Table ES.1: Strategic Plan Objectives and Actions

Objective Action	Priority	Timing					Partners (See page ES-12 for key to codes)
		03	04	05	06	07	
B. Managing the Use of Assets							
B.1 Seek Balance Between Asset Protection & Visitor/Business Needs							
B.1.1 Compile an inventory/evaluation of natural/historic/cultural assets & facilities	2						SA,FA,Trb,LG,NPO,Biz,MTRI,MRPA
B.1.2 Select management options that emphasize balanced resident and nonresident use	1						SA,FA,Trb,LG,NPO,Biz
B.1.3 Develop systems of allocated use in sensitive areas	2						SA,FA,Trb,NPO,Leg,F&W Commis.,OLB
B.1.4 Evaluate licensing for all guided recreation activities that involve safety risk	3						OLB,Leg,SA,FABTA
B.1.5 Address motorized vs. non-motorized recreation user conflicts	1						SA,FA,NPO,LO,Biz,LG
B.1.6 Address invasive species problems through partnerships & educational programs	1						SA,FA,DOAg,RC&D,NPO,LO,Biz,
B.1.7 Encourage appropriate use of land conservancy programs	2						FA,DOAg,Ext,LO,NPO
B.2 Address Access Issues on Public & Private Lands & Waters							
B.2.1 Support implementation of strategies to improve access to public lands & waters	1						SA,FA,Trb,NPO,LO
B.2.2 Expand the Block Management Program for access to private lands	3						FWP,LO,TR,NPO
B.2.3 Use special groups to facilitate discussion of access to public/private lands & waters	2						SA,FA,NPO,TR,Trb
B.3 Develop an Enhanced Transportation System in Montana							
B.3.1 Advance implementation of Montana's rest area strategy	2						MDT,DOC,TR,CC,VIC,NPO
B.3.2 Continue to improve roads and bridges; address maintenance backlog	1						MDT,SA,FA,MACo,MLCT
B.3.3 Work with air carriers/airports to identify needs & enhance air service	2						MDT,DOC,TR,CVB,Biz
B.3.4 Advocate for passenger rail service	2						DOC,TAC,TR,CVB,Biz,MDT
B.3.5 Work with car rental agencies to identify needs & enhance services	3						TR,CVB,CC,Biz
B.3.6 Identify opportunities for transit/shuttle transportation in major destination areas	3						MDT,TR,CC,NPS,A11n,Biz,MLCT,MACo
B.3.7 Enhance Montana's trail system	2						MDT,MTRI,STAC,NPO,LG,Trb,Biz,LO
B.4 Create a Comprehensive & Interactive "System" of Visitor Information & Interpretation							
B.4.1 Enhance state rest areas & VIC's with Montana highlights	2						MDT,DOC,DOAg,TR,CVB,VIC,CC,Biz,Leg,FWP
B.4.2 Educate visitors about ethics and responsibilities on public & private lands	1						MTRI,NPO,FWP
B.4.3 Complete implementation of statewide Lewis & Clark interpretive sign strategy	1						MTRI,MLCBC,MHS,DOC,MDT,FWP
B.4.4 Provide professionally-researched interpretive programs & facilities for visitors	2						MHS,FA,Trb,Univ,FWP
B.5 Improve Statewide System of Highway Signs							
B.5.1 Develop/implement sign guidelines for services, attractions & businesses	1						MDT,DOC,TR,MACo,MLCT,Biz,MHS,BTA,Trb,MTTA
B.5.2 Encourage statewide adoption of visitor-friendly symbol signs	3						MDT,DOC,TR,Biz
B.5.3 Address appropriate use/placement of billboards while maintaining landscapes	3						TR,MDT,Biz,MACo,MLCT
B.6 Assist Communities to Enhance Facilities/Services for Tourism Development							
B.6.1 Continue Community Tourism Assessment (CTAP) & Tourism Infrastructure Improvement (TIIP)	1						DOC,LG,Ext,ITRR
B.6.2 Encourage review of city/county/tribal infrastructure & public services	2						LG,Trb,MLCT,MACo,TR,NPO,Biz
B.6.3 Enhance heritage/cultural facilities & attractions to meet visitor needs	2						MHS,MAC,Trb,NPO,Biz,FWP
B.6.4 Encourage community participation in the National Main Street Program	2						DOC,MLCT,MEDA,MHS
B.6.5 Encourage communities to use strategic planning & development tools	2						MLCT,MACo,DOC,MEDA

Table ES.1: Strategic Plan Objectives and Actions

Objective Action	Priority	Timing					Partners (See page ES-12 for key to codes)
		03	04	05	06	07	
C. Creating Teams							
C.1 Identify Opportunities to Link Agriculture with Tourism							
C.1.1 Create mechanisms for tourism businesses to use Montana agricultural products	1						DOAg,BTA,TR,CC,Biz
C.1.2 Enhance existing programs with focus on tourist markets	3						DOAg,DOC,NPO,Biz,TR
C.1.3 Develop cooperative marketing campaigns between agriculture and tourism	2						DOC,Ad,BTA,Biz,DOAg
C.1.4 Educate visitors about Montana agriculture & ranching	3						DOAg,TR,CVB,NPO,Biz
C.2 Create Partnerships to Address Asset Management & Funding Needs							
C.2.1 Identify opportunities for partnerships to address asset needs	1						MTRI,SA,FA,NPO,TR,Biz,Trb
C.2.2 Evaluate agency regulations & policies to determine differences in priorities/programs	2						MTRI
C.2.3 Encourage citizens to volunteer for asset maintenance projects	3						SA,FA,NPO,Trb
C.3 Increase Awareness & Utilization of Business Assistance Programs							
C.3.1 Provide information about business assistance to tourism & recreation businesses	1						DOC,TR,BTA,MTTA
C.3.2 Offer entrepreneurship & management training for tourism & recreation businesses	2						DOC,SBDC,TR,BIZ
C.3.3 Address workforce issues & training programs	2						DLI,TR
C.3.4 Encourage financial lending to provide capital for tourism & recreation businesses	2						DOC,SBDC,MEDA
C.4 Identify Business Opportunities to Serve Visitors on Public Lands							
C.4.1 Identify opportunities for new or enhanced tourism/recreation services	3						SA,FA,Biz
C.4.2 Discuss ways to simplify regulations & permitting processes while protecting assets	3						SA,FA,NPO,BTA,Biz
C.4.3 Investigate contracting of maintenance operations to private businesses	3						SA,FA
C.5 Enhance Montana's "Edu-Structure" to Support Tourism							
C.5.1 Expand education programs for tourism & recreation careers	3						Univ,Ext,TAC,Biz
C.5.2 Develop a staff training program for VIC's	1						DOC,VIC,TR,CVB,CC
C.5.3 Provide regional familiarization tours for state/regional/tribal/local tourism staff	2						TR,DOC,VIC,Attn,Biz
C.5.4 Include educational presentations at tourism & recreation meetings & events	1						TAC,TR,CVB,MTRI
C.5.5 Work with MSU to create "tourism extension agents" in each tourism region	3						MSU,DOC,DOAg,TR
C.6 Build Funding Partnerships to Leverage Existing Dollars							
C.6.1 Encourage strategic partnerships for cooperative project funding	1						SA,FA,TR,CVB,CC,Biz,NPO
C.6.2 Identify opportunities to pool public & private marketing dollars	1						TR,CVB,Biz,DOC,Attn,Ad
C.7 Develop Additional Funding Sources for Tourism & Recreation							
C.7.1 Consider selective and/or local option taxes on goods & services used by tourists	1						Leg,MACo,MLCT,BTA,Biz
C.7.2 Evaluate expansion of user fees for public facility recreation	2						SA,FA,NPO
C.7.3 Encourage attractions to generate more revenue from visitors	2						MHS,FWP,MRPA,DOC,NPO,Biz
C.7.4 Develop local/regional revenue-sharing visitor packages	3						TR,CVB,DOC,Biz,Attn,NPO
C.7.5 Create a "Montana Visitor Passport" program	3						MTRI,DOC,TR,Attn,NPO,Biz,Ad
C.7.6 Seek additional revenue for the Block Management program	3						FWP,LO,NPO
C.8 Develop Partnerships to Facilitate Implementation of Strategic Plan							
C.8.1 Conduct workshops at TAC meeting & in each region to discuss plan implementation	1						TR,DOC,CVB,SA,FA,NPO,Biz
C.8.2 Conduct training for region/CVB boards of directors & members	1						TR,CVB,DOC
C.8.3 Obtain funding to enhance regional tourism organizations	1						DOC,TR,TAC,FA
C.8.4 Coordinate Strategic Plan implementation & monitoring through DOC	1						DOC,MTRI,FWP
C.8.5 Form an implementation team of private/public/tribal/nonprofit representatives	1						DOC,TAC,MTC,MTRI,Trb,NPO,Biz
C.8.6 Coordinate with Governor's Office of Economic Opportunity	1						DOC,MTC,BTA,MEDA
C.8.7 Develop a user-friendly system of annual reporting on status of strategic plan	1						DOC,MTRI,TR,CVB,NPO,MTTA

Action Table Key to Codes

Ad	Advertising Agency	MHS	Montana Historical Society
Attr	Attraction	MLCT	Montana League of Cities & Towns
Biz	Private Sector Business	MLCBC	Montana Lewis & Clark Bicentennial. Comm
BTA	Business Trade Associations	MRDP	Montana Rural Development Partners
BBER	Bureau of Business/Economic Devlpmt	MRPA	Montana Recreation & Parks Association
CC	Chamber of Commerce	MSU	Montana State University
CVB	Convention/Visitor Bureau	MTC	Montana Tourism Coalition
DLI	Montana Dept. of Labor and Industry	MTRI	Montana Tourism & Recreation Initiative
DOAg	Montana Dept. of Agriculture	MTTA	Montana Tribal Tourism Alliance
DOC	Montana Dept. of Commerce	NPO	Non-profit organizations
DOR	Montana Dept. of Revenue	NPS	National Park Service
Ext	Ag Extension Service	OLB	Montana Outfitter Licensing Board
FA	Federal Gov't/Agency	RC&D	Resource, Conservation & Development
FWP	Montana Fish, Wildlife & Parks	SA	Montana Gov't/Agency/Dept/Commission
ITRR	U of M Institute for Tourism & Recreation Research	SBDC	Small Business Devlpmt Corporation
Leg	Montana Legislature	STAC	State Trails Advisory Committee
LG	Local Government	TAC	Tourism Advisory Council
LO	Land Owner	TR	Montana Tourism Regions (Countries)
MAC	Montana Arts Council	Trb	American Indian Tribes
MACo	Montana Association of Counties	Univ	Montana Universities & Colleges
MDT	Montana Dept of Transportation	VIC	Visitor Information Center
MEDA	Montana Economic Developers Association		

The Montana Tourism and Recreation Strategic Plan 2003-2007
 is available electronically at <http://travelmontana.state.mt.us>.
 For more information, contact Montana Department of Commerce,
 Promotion Division (Travel Montana) at (406) 841-2870.

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Strategic Plan will Guide Tourism Programming for 5 Years & Beyond

Tourism and recreation in Montana stand at an historic moment. Decisions made – and actions taken – in the next five years will affect Montana’s environment, its economy and its citizens for decades. Those decisions and actions must be strategic, and they must be consistent with the values and priorities of Montanans. As the state faces perhaps the largest tourism event in years – the Lewis & Clark Expedition Bicentennial – this Tourism and Recreation Strategic Plan will become the guide for all tourism and recreation leaders as they develop plans and programs for the Bicentennial years and beyond. There is much at stake.

Strategic Plan Defines Role of Tourism in Montana’s Overall Economy

Tourism is Montana’s second largest industry, generating \$1.7 billion annually and making it an essential leg of Montana’s economic stool. Tourism development strategies must be informed by – and integrated with – all of Montana’s economic and natural assets (Figure 1.1). Agriculture, ranching, mining, forestry, technology, manufacturing, construction and education are other legs of Montana’s economic stool. Therefore, this Tourism and Recreation Strategic Plan was developed in the context of tourism’s role in Montana’s overall economic picture. Moreover, the Strategic Plan is not merely a set of goals and list of actions. It begins with a strategic framework – an overarching context for the recommended actions – and ends with quantifiable objectives that include ways to measure results.

This is the third 5-Year Tourism & Recreation Strategic Plan developed by the Department of Commerce as part of a long-term planning process that began in 1991. The first plan was completed in October 1992, following statewide research and outreach to private and public sectors via surveys and planning workshops. A vision statement was defined, twenty specific goals were grouped into four major goal areas, and actions were identified for each goal. Public and private sector organizations used the plan to guide tourism development and promotion policies, programs and activities. In 1996, the process continued with an update of the 1992 plan to cover the years 1998-2002. The 1998 update identified a vision statement, twenty-three goals grouped into five theme areas, sixty-two action areas, and organizations responsible for implementation of the action areas. An accompanying Action Booklet summarized the action areas by responsible organization. Midway through the five-year time period (November 2000), a mid-term report was prepared to evaluate progress on the action

Chapter 1: Introduction

- ❖ Project Context & Purpose
- ❖ Planning Process

The 2003-2007 Strategic Plan will guide tourism & recreation in Montana for 5 years & beyond. There is much at stake.



Fig. 1.1: Info-Gathering Process

*There is no shortage of opinions
about tourism in Montana.*

**Strategic Plan Public Outreach Efforts
included the Following:**

- 8 public meetings (Kalispell, Missoula, Great Falls, Billings, Miles City, Glasgow, Bozeman and Butte)
- Meetings with industry and stakeholder groups
- Presentations to TAC, MTRI, regions/CVBs and Governor's Conference on Tourism (in October 2001, and February, April, June and October 2002)
- Online survey of representatives from 75 stakeholder groups
- Direct communication with stakeholder representatives
- Public comment period

areas identified in the strategic plan. The booklet indicated actions that had been completed or not completed, along with comments about each action.

This 2003-2007 Strategic Plan builds on the work completed in the first two plans, and is designed to be action-oriented – to address “what, why, how, where, when, who and how to pay for it”. To be implement-able, the Plan includes not just strategies and actions (“what” and “how”), but also priorities, timeline, responsibility and resources to support implementation. It is not designed to sit on the shelf and gather dust – it is intended to be a dog-eared, page-worn implementation blueprint and reference tool for Montana’s tourism and recreation stakeholders. It focuses on building teams to fully integrate tourism and recreation into Montana’s overall economic development efforts.

The Planning Process was Inclusive and Multi-Faceted

This Strategic Plan contains many “fingerprints” – the ideas, concerns, input and wisdom of Montanans from many communities, sectors and organizations. Successful implementation will require the strategic cooperation and assistance of these partners. Stakeholders included private businesses, regional tourism organizations, chambers of commerce, convention & visitors bureaus, state and federal agencies, universities and colleges, tribes, heritage and cultural organizations, sportsmen’s and conservation groups, and elected officials.

There is no shortage of opinions about tourism in Montana. This Plan was developed based on the principles of community-based strategic planning, involving partners at all levels in a collaborative planning process. Therefore, Montana's Tourism & Recreation Strategic Plan was driven by local and regional grass-roots planning efforts and needs, which then were woven into statewide strategies and priorities. The Plan reflects local values and priorities regarding tourism development, potential impacts, long-term economic diversification and promotion.

The planning team began by tapping the expertise and strategic insights of Department of Commerce staff, Tourism Advisory Council members, university, state and federal agency representatives, and statewide cultural, sportsmen’s and conservation organizations. These individuals provided “big picture” perspective on statewide programs, priorities, trends, issues and political realities. The “big picture” information was used to inform discussions with local and regional groups through public outreach. Then the input from local and regional groups, in the context of the “big picture”, was used to develop an integrated Strategic Plan (Figure 1.2).



**Fig. 1.2: Information Flow for
Tourism Strategy**

A four-phase planning process was used to complete Montana's Tourism & Recreation Strategic Plan. The phases, steps and timeline are summarized below and in Table 1.1.

I. Orientation and Information-Gathering

- A. Meetings with Client Team to clarify objectives, scope, outcomes, timeline
- B. Obtain state & regional planning documents, updates of data for 2000/2001

II. Evaluate Current Conditions: Supply & Demand

- C. Evaluate Montana's tourism and recreation "product", or assets: infrastructure, facilities, events, attractions, promotion/communication system, resources, key issues, opportunities, impacts, challenges and threats
- D. Review research data about current travelers in Montana and trends from 1990-2001
- E. Review data about surrounding states, national/international trends, Department of Commerce (DOC)/Travel Montana (TM) programs and marketing efforts, markets, competition

III. Engage Stakeholders in Development of Strategic Plan

- F. Solicit input about local/regional priorities and needs: 8 public meetings, online survey of stakeholders, meetings with industry/agency/tribal/nonprofit groups, presentations to Tourism Advisory Council (TAC), Montana Tourism & Recreation Initiative (MTRI) and Governor's Conference, public comment period

IV. Develop Tourism & Recreation Strategic Plan

- G. Develop draft vision, guiding principles, strategic framework, goals & objectives, evaluation methods; present to TAC, stakeholder groups
- H. Based on input, develop draft Strategic Plan; distribute for public comment
- I. Refine and complete final Tourism & Recreation Strategic Plan for 2003-2007

Strategic Plan Focuses on Supply & Demand, Ways to Address Challenges & Opportunities

- ♦ *Executive Summary*
- ♦ *Chapter 1: Introduction*
- ♦ *Chapter 2: Existing Conditions*
- ♦ *Chapter 3: Markets*
- ♦ *Chapter 4: The Strategy*
- ♦ *Chapter 5: Objectives & Actions*
- ♦ *Chapter 6: Implementation & Action Table*
- ♦ *Appendices: Resources, Reference Materials, etc.*

Table 1.1: Strategic Planning Process Steps & Timeline, 2001-2002

Planning Element	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Meet w/ DOC/TM Team, TAC, MTRI	■												
8 Public Meetings	■	■											
Information-Gathering	■	■	■	■	■	■	■	■					
MIKA, MOGA Conferences		■		■									
Draft Vision/Framework/Goals			■	■									
Meet w/ TAC, MTRI; Refine					■	■							
Online Survey/Comments, Refine						■	■	■					
MTRI Meeting, GOV's Conf; Feedback							■	■					
Develop Draft Plan Actions/Elements								■	■				
Meet with TAC, MTRI									■	■			
Write Draft Plan, Client Input, Refine								■	■	■	■		
Public Comments, Refine												■	
TAC Meeting, Adopt Final Plan													■

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To plan for the future, first we must understand the past and present. This chapter provides an overview of existing conditions related to tourism and recreation in Montana. It begins with a "big picture" summary of statewide socio-economic trends. It discusses tourism's role in Montana's economy, including statewide and regional tourism/recreation trends over the past decade. It then outlines the natural and man-made assets that support tourism and recreation, as well as the challenges and threats facing Montana's tourism and recreation industry, in the context of the changing economy, environment, and political climate.

A. Statewide Socio-Economic Trends

Montana is the fourth largest state in the U.S., encompassing 145,552 square miles, and is home to only 902,000 citizens, or 6.2 people per square mile (2000 Census). Yet Montanans hosted nearly 9.5 million nonresident visitors in 2001. Those nonresidents spent \$1.7 billion in Montana, helping to make tourism and recreation the state's second largest industry.

A.1 Montana is Growing & Changing, Quality Job Opportunities are Needed

From 1990 to 2000, Montana's population grew from 799,065 to 902,195, up 13%, and is projected to top 1,000,000 by 2010. However, some areas of the state grew at a much higher rate, while others actually lost population. Montana's population is aging, and is the fourth oldest of any state in the U.S., with a median age of 37.8 in 2000 (up from 33.8 in 1990). There are two factors that may be contributing to this trend: retirees moving to Montana, and a smaller proportion of people age 25-34, as Montana loses young adults after college due to lack of job opportunities.

Although the total number of households grew by 17% over the past decade, family households increased by only 12%, while non-family households (unrelated people living together) increased by 28%. Family size decreased by about 3% to 2.45 people per household. Housing units grew along with the population, increasing by 51,478 units, or 14%. The number of vacation/occasional use homes and condominiums rose by 3,732 units, or 18%, indicating a significant increase in the number of residents and nonresidents with second homes in Montana. These nonresidents are part-time residents, as well as visitors, within and to the state.

Montanans' per capita income rose by 53% from 1989 to 1999 to \$17,151, but it was still 58% below the U.S. average of \$29,469. The state's median household income in 1999 was \$33,024. The average annual wage (all industries) in 1999 was \$23,253, which was 50th in the

Chapter 2: Existing Conditions

- A. Statewide Socio-Economic Trends
- B. Tourism Trends
- C. Tourism and Recreation Assets & Opportunities
- D. Challenges & Threats to Tourism and Recreation

"The great thing in this world is not so much where we are, but in what direction we are moving."

- Oliver Wendell Holmes

Per Capita Income of Montanans

<u>Montana</u>	
1989	\$11,213
1999	\$17,151
% Change	53%
<u>U.S.</u>	
1999	\$29,469
Difference	-58%
(MT vs. U.S.)	

nation; however, the average male working full-time, year-round in 1999 made \$30,503, while the average female working full-time, year-round made \$20,914. About 16% of Montanans live in poverty (33% of families with a female head of household live in poverty). Montana leads the nation in the number of multiple job-holders, which puts significant stress on families. Nearly 90% of Montanans age 25+ have at least a high school diploma, compared to the national average of about 82%, but only 24% of Montanans have a bachelors degree or higher (U.S. average is 25%).

Fig. 2.1: Full-Time & Part-Time Employment, 2000



Fig. 2.2: Personal Income & Earnings by Industry, 2000



A.2 Highest Growth is in Lower-Wage Sectors

From 1990 to 1999, the number of jobs in Montana rose 24%, from 370,000 jobs to 460,000 jobs. However, the highest growth was in the lowest paying sectors of retail and services – the categories that include tourism and recreation. Nonresident traveler expenditures in Montana accounted for about \$366 million in employee compensation in 2000, according to University of Montana research. Montana's traditional industries of agriculture and mining have declined (see Figure 2.3, next page). The statewide unemployment rate in 2001 was 4.6%; however, some counties had unemployment in the double digits.

Figures 2.1 and 2.2 at left show the ratio of income/earnings compared to the number of jobs by industry sector in 2000. The sectors that produced a higher percentage of income than the number of jobs they contributed are Government (+6.4% earnings over number of jobs), Transportation & Public Utilities (+3.1%), Manufacturing (+2.0%), Construction (+1.3%), Wholesale Trade (+1.2%) and Mining (+1.1%). The sectors that had a lower ratio of earnings compared to the number of jobs created were the following: Retail Trade (-7.2%), Services (-3.4%), Farms (-2.9%), Finance/Insurance/Real Estate (-.8%) and Ag Services/Forestry/Fishing (-.7%). It is interesting to note that "Tourism" is not listed as a distinct industry in reported economic data.

The Montana Governor's *Framework for Economic Development* (2002) states, "Gross State Product (GSP) is the broadest measure of the economy. It is the value of goods and services produced by a state. Montana's GSP was estimated at \$19.8 billion in 1998, ranking Montana 49th in the nation in per capita GSP. Montana's real dollar GSP from 1986 to 1999 expanded by only 35%. During the past five years our annual rate of growth of 1.2% was the 5th slowest GSP growth rate in the nation."

Figure 2.3 shows how the value of goods and services produced in Montana changed from 1990 to 1999. Note that Construction had the highest growth rate, followed by Services, Finance/Insurance/Real Estate (FIRE), Wholesale and Retail Trade. The value of Manufactured Goods rose by only 41%, and Transportation/Communications/Public Utilities (TCPU) by 34%. Meanwhile, Mining and Agriculture declined.

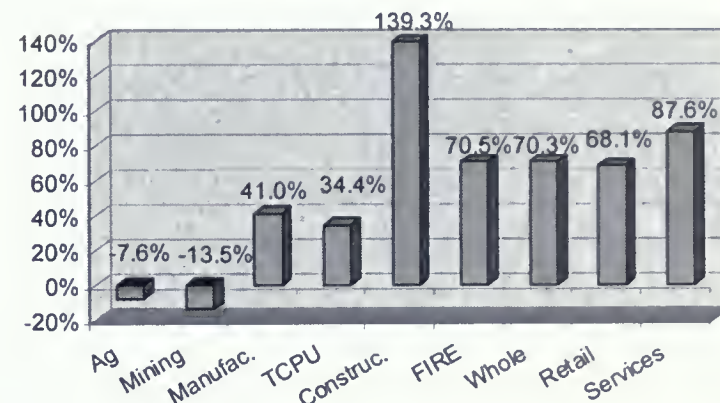
Tourism and recreation are part of the Services sector – the second highest growth sector. Tourism also has driven revenues to the Construction sector (building of hotels, resorts, vacation homes, restaurants, retail stores). Nonresident tourists spent an estimated \$1.2 billion on retail goods alone (including retail sales, restaurant and beverage, gas and groceries) in 2000, which was 12% of statewide retail goods sales of \$10 billion. Weak growth in traditional industry sectors means that tourism plays an increasingly important role in Montana's economy.

A.3 Small Businesses Need Effective Support System to be Competitive

Montana's business sector consists mainly of small, family-owned businesses. More than half (54%) of businesses in 2000 had fewer than five employees. Nearly two-thirds had fewer than ten employees, and only 4% had 50 or more employees. Of the state's 48 largest private sector employers, 75% are service sector businesses (health care, retail, banking, business support services and hotel/restaurant), and only 25% are manufacturing, agriculture, construction and utilities businesses (see sidebar at right).

Many of Montana's small businesses are vulnerable to competition from out-of-state corporations and national chains that are moving to Montana. The tourism and recreation sector is no exception -- it is particularly dominated by small businesses. Most of these family-owned businesses are not linked to support services and training provided by large corporations and national franchises. If Montana wants to maintain its local character and family-owned businesses, it must have an effective system to provide technical assistance, capital, and timely information to current and potential business owners about state/national markets and trends. Professional development and business training are essential to help ensure that Montana-based companies are competitive.

Fig. 2.3: Montana Industry Sector Trends 1990-1999
(Change in Value of Goods & Services Produced)



"For the first hundred years of its history, Montana was a 'Company Town.' We have not yet built a strong entrepreneurial legacy in this state."

- Local Montana Economic Develop't Director

Two-Thirds of Montana Businesses have Fewer than 10 Employees*

Of Montana's 48 largest private sector employers, 15 are health care, 10 are retailers, 7 are manufacturers, 5 are business support services, 3 are banks, 3 are hotel/restaurant groups, 3 are utilities, 1 is an agricultural cooperative and 1 is a construction firm.

* Businesses with payroll. Excludes railroad, self-employed, most agricultural employment.

Source: MT Dept. of Labor & Industry, 2001

B. Tourism Trends

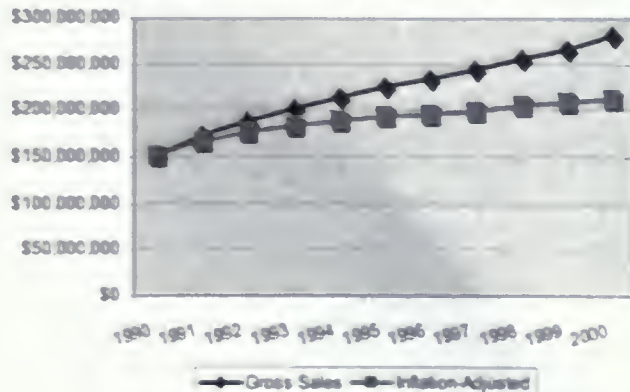
B.1 Nonresident Visitation Grew 46% from 1990-2000; Seasonality is a Challenge

For the purposes of this document, the terms “visitor” and “tourist” are interchangeable, and refer to both residents and nonresidents who travel for leisure or business purposes, taking money they earned in one place, and spending it elsewhere. The number of nonresidents visiting Montana rose 46% from 1990 to 2000 (Figure 2.4), compared to 85% growth in lodging sales (Figure 2.5). However, the number of summer visitors declined from 1996 to 2001.

Fig. 2.4: Nonresident Visitors 1990-2000



Fig. 2.5: Lodging Sales Trends



Statewide Lodging Sales & Room Rates

Statewide lodging sales grew approximately 85% from 1990 to 2000 (Figure 2.5). However, when viewed in real dollars, the growth was 41% (adjusted for inflation, based on the Consumer Price Index, or CPI). Therefore, half of the growth in revenue (44%) was due to inflation – price increases – rather than growth in volume (number of customers).

According to Smith Travel Research, average hotel room prices in Montana rose from \$40 per night to about \$58 per night from 1991 to 2001 – an increase of \$18 per night, or 44% (see Figure 2.6 next page). If room rates had increased consistent with CPI inflation rate, the increase would have been only \$4.26 per night, or 11%, from \$40 to about \$44. Therefore, the growth in real terms exceeded the rate of inflation by 33%, or \$13.74 per night (an increase of 34%). However, this growth is not consistent statewide: room rates have increased significantly in resort and urban areas – especially in peak season – but they have grown more slowly in rural areas and shoulder seasons.

Occupancy & Seasonality

Figure 2.7 shows the average monthly hotel occupancy in Montana during 2001, compared to the overall occupancy of the Mountain Region (MT, ID, WY, CO, UT, NV, AZ, NM). While Montana hotels run at an average of 75+% occupancy in peak tourist season (July-September), occupancy rates drop to 50% or lower for six months of the year – which is below break-even point for most hotel businesses. This trend shows that the supply of hotel rooms exceeds demand (on a year-round basis). Although this is consistent with national trends, and advantageous for consumers, it is unprofitable for the hotel industry.

In 2001, Montana's hotel occupancy was two percentage points below the Mountain Region average (Figure 2.7). However, Montana's seasonality was much more dramatic: peak season occupancies in Montana were higher, but off-peak times dipped much lower. This fluctuation creates instability in the industry, resulting in many seasonal/temporary jobs, high turnover, and low-wage jobs with few benefits.

Figure 2.8 compares lodging tax collections by season (business quarters, as reported by the Montana Department of Revenue). There is great disparity not only in the amount of lodging sales from season to season, but in the rate of growth over the past decade: 1st quarter (Jan-Mar) grew 94%, 2nd quarter (Apr-Jun) grew 83%, 3rd quarter (Jul-Sep) grew 87%, and 4th quarter (Oct-Dec) grew 74% (figures unadjusted for inflation).

The seasonality of tourism in Montana affects sales in many business sectors besides lodging: restaurant, retail, wholesale, grocery, banking, auto, etc. It also impacts labor markets: temporary and seasonal jobs create instability in families and communities, increase costs of employee training and unemployment insurance, and create employee housing challenges. Seasonality also increases transportation costs: airlines and rental car companies determine flight schedules, inventory of aircraft/cars and prices based on demand. Low demand in off-peak times increases costs in peak season to make up the difference. Clearly, additional tourism revenue is needed in off-peak months in order to provide stability and sustainability in tourism and recreation businesses, and higher-wage jobs.

Fig. 2.6: Average Room Rate, 1991-2001

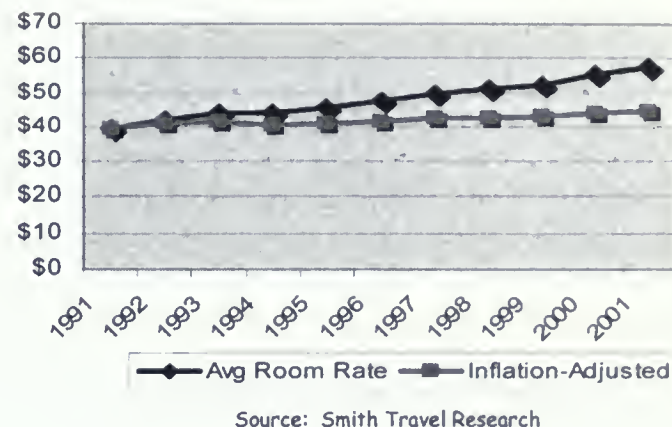
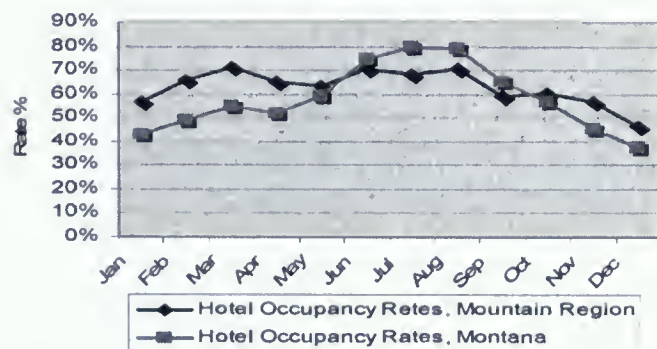
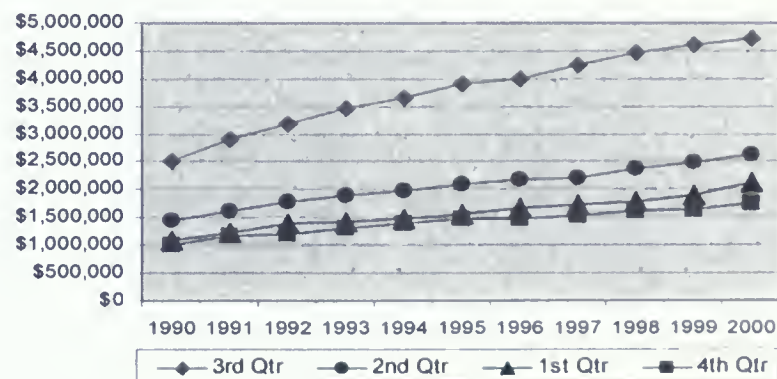


Fig. 2.7: Hotel Occupancy, 2001



Source: Smith Travel Research

Fig. 2.8: Lodging Tax Collections by Quarter - Statewide



B.2 Growth & Trends Vary by Tourism Region

Montana's six tourism regions each have their own unique character and assets. They also experienced dramatic differences in tourism development and visitation over the past decade. Figure 2.9 at left summarizes the growth in lodging tax collections for each region from 1990 to 2000. As mentioned earlier, the overall lodging sales growth statewide was 85%, but growth rates differed significantly by region:

- Yellowstone Country: 150%
- Glacier Country: 85%
- Custer Country: 69%
- Gold West Country: 68%
- Missouri River Country: 38%
- Russell Country: 32%

Fig. 2.9: Lodging Tax Collections by Region

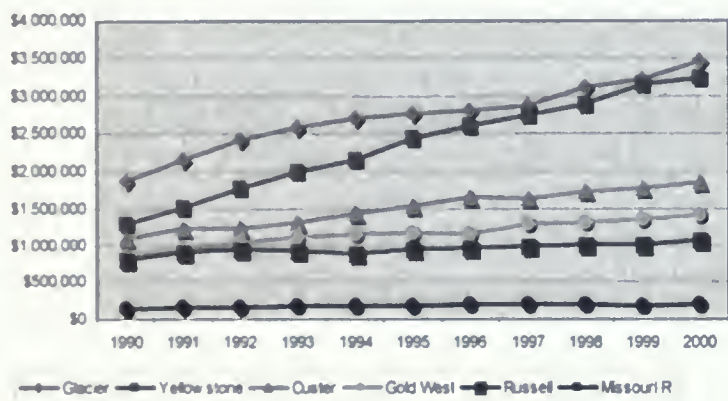


Table 2.1 shows quarterly lodging sales trends for each of the six tourism regions. Note the quarters of highest growth rates (circled).

In **Glacier Country**, communities reported declines in Summer visitation due to a 28% drop in visitors at Glacier National Park (down by 525,000 from 1992-2001). However, lodging revenues grew by 90% in 3rd quarter region-wide (July-Sept.), and 2nd quarter growth was 92%, while 1st quarter revenues grew by only 64%. Heritage and culture travelers are a growing segment of the visitor market. In the Flathead Valley area, Canadian visitation has declined, but business travel has increased. Much of the lodging revenue growth there has been room rate increases. The Missoula area has experienced significant commercial development in the last decade, attracting business travelers, destination shoppers and conferences (especially trade association groups). The success of the University of Montana Grizzly football team has accelerated fall visitation. The Bitterroot Valley reported a decline in visitors and hunters in 2000 because of the wildfires. However, increased visitation generated by interest in Lewis and Clark is reversing the decline.

Table 2.1: 1990-2000 Regional Lodging Revenue Growth by Quarter

Region	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Overall
Glacier	64%	92%	90%	80%	85%
Gold West	71%	66%	68%	65%	68%
Russell	37%	34%	32%	26%	32%
Yellowstone	191%	145%	137%	129%	150%
Missouri River	31%	32%	44%	42%	38%
Custer	64%	66%	71%	72%	69%

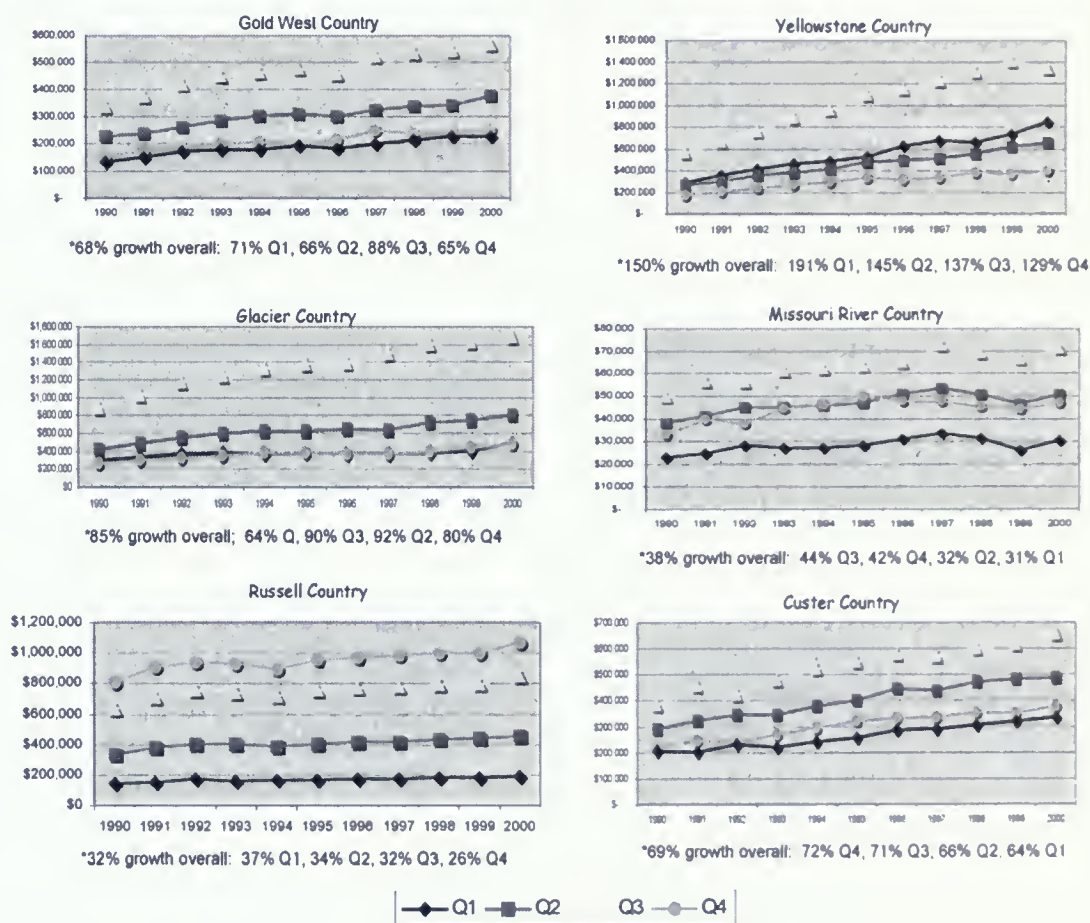
In **Gold West Country**, heritage and cultural travelers are an important segment, frequenting the region's outstanding heritage assets (Uptown Butte, the Montana Historical Society, Lewis & Clark sites, and Helena's Summer Symphony). The World Museum of Mining reported a

decline in 2000-2001, likely due to many fires in the region. Regionally, the highest growth was in 1st quarter (71%), followed by 3rd quarter (68%).

In **Russell Country**, tourism providers report that historical/cultural travelers are increasing as a percent of all visitors, especially those following the Lewis & Clark Trail. Additionally, river trips on the wild & scenic section of the Missouri River are increasing. Russell Country is the only region where 3rd quarter does not generate the most lodging revenue – the peak time is 4th quarter, primarily because of hunting. The highest growth quarter from 1990-2000 was 1st quarter, followed by 2nd quarter and then 3rd quarter. Local providers report that meetings and conferences are responsible for part of the growth. According to 2000-01 University of Montana Winter study, Interstate 15 between Canada and Great Falls receives about 9-10% of all statewide nonresident traffic in winter. This may be due in part to sports travelers attending semi-pro hockey games in Great Falls and Canada.

In **Yellowstone Country**, communities reported declines in summer visitors due to falling visitation at Yellowstone Park. However, region-wide lodging revenues grew by 137% in 3rd quarter (Jul-Sep), despite a slight decline in 2000 due to fires. Much of the revenue growth is price increases; however, sales indicate that volume has grown as well. Local representatives also reported that international visitation was down, likely due to unfavorable exchange rates for Europeans and Canadians (consistent with national trends). Yellowstone Country's highest growth was in 1st quarter, with the Big Sky Resort area typically providing nearly half of lodging tax collections.

Fig. 2.10: Quarterly Lodging Trends by Region



Summary of Regional Trends

A look at regional trends around the state indicates the following:

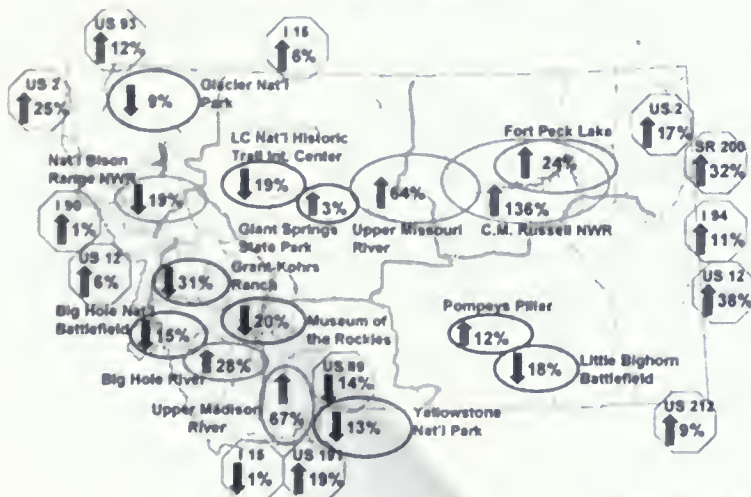
- Off-peak seasons had higher growth in lodging revenues than did summer (Q3) in all regions but Missouri River Country
- Heritage/cultural travel is increasing, esp. related to Lewis & Clark, Indian culture
- National Park visitation is down, as is visitation at many other major attractions
- Commercial travel (meetings, conventions) is increasing
- There are increasing concerns about impacts from tourists on residents and/or natural resources in specific locations

Snowmobiling in the Park is an important component of the region's winter recreation opportunities. With uncertainty of future snowmobile access there, tourism providers seek to develop more diversified winter recreation products and services.

Missouri River Country was the only region whose highest growth was in 3rd quarter. Both Fort Peck Lake and the C.M. Russell National Wildlife Refuge reported significant increases in visitation, likely due to fishing. Ft. Peck Reservoir visitation increased 24% from 1992 to 2001, while the C.M. Russell Wildlife Refuge visitation rose 136% from 1998 to 2001. The Fort Peck Dam Interpretive Center and Museum near Glasgow, which will open in 2003, is anticipated to be a major regional draw. Interestingly, Ft. Union Trading Post, just across the border in North Dakota, was down 27% from 1993 to 2001. Communities and tribes in Missouri River Country are preparing for the Lewis & Clark Bicentennial.

In Custer Country, commercial travel is significant business, especially the convention and meeting market, since Billings is Montana's largest city. Heritage/cultural travelers also are an important segment, attracted by the Little Big Horn Battlefield and Lewis & Clark sites along the Yellowstone River, such as Pompeys Pillar. Billings also reports significant numbers of destination shoppers from Wyoming, and it is a major hub for visitation related to medical services. However, hotel occupancies in Billings did not increase significantly from 1998-2001, despite growth in overall revenues. This is likely because higher revenues reflect price increases, and visitors are dispersed among more hotel properties, so occupancies did not rise commensurate with revenues. Custer Country's highest growth from 1990-2000 was in the 4th quarter, perhaps due to increased business travel, Christmas shoppers and sportsmen.

Fig. 2.11: Visitation Trends at Key Destinations & Traffic Trends at Key Gateways, 1995-2001



B.3 Visitation at Key Attractions Declined from 1995-2001

A closer look at visitation for specific sites reveals a mixture of growth and decline around the state. Figure 2.11 shows 1995-2001 visitation trends at fifteen major destinations, and at thirteen key highway entrance points to the state. All of the highway entrances experienced rising traffic counts except U.S. 89 at Yellowstone Park, and I-15 at the Idaho border.

For the most part, destinations with water recreation appeal saw increasing visitation (Upper Missouri, Big Hole and Upper Madison Rivers, Fort Peck Lake). Other sites reporting increases were Pompeys Pillar, Giant

Springs State Park and the C.M. Russell National Wildlife Refuge. Note: agencies indicated that some increases may be attributable to improvements in methodology used to count visitors. Figure 2.12 compares visitation at major destinations in 1999.

Conversely, several major destinations reported declines in visitation, most notably Glacier and Yellowstone National Parks. Fewer tourists stopped at the battlefields (Little Bighorn, Big Hole), Grant Kohrs Ranch, the National Bison Range and Lewis & Clark National Interpretive Center. These trends are surprising, since statewide visitor counts, lodging sales and traffic counts all increased. Visitation downturns in 2000-2001 are partially attributable to wildfires and high gasoline prices, but most sites experienced declining numbers from 1995-99. These findings raise the question:

If overall visitation increased, but visitation at key attractions declined, where are the visitors going, and what are they doing?

To investigate the answer, the planning team reviewed seasonal lodging sales trends at the regional level, State park/fishing access site visitation trends, hunting and fishing license sales and skiing trends. They also interviewed local and regional tourism representatives and destination site managers, and reviewed the findings of several research reports on nonresident travelers in Montana (see Chapter 3, Markets).

B.4 Most State Park Visitors are Residents

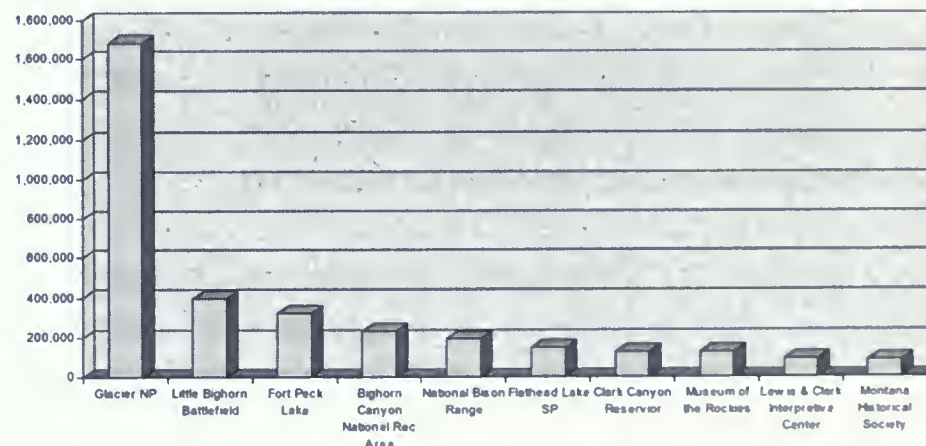
As Figure 2.12 at right shows, Glacier National Park attracts four times the visitation of any other site except Yellowstone Park. Seven of the ten sites listed are managed by federal agencies (Park Service, US Forest Service, Bureau of Reclamation, Corps of Engineers, US Fish & Wildlife). Only one of the ten sites is a Montana State Park.

Figure 2.13 (next page) compares visitation at all Montana State Parks with visitation at Glacier and Yellowstone National Parks from 1995-2000. State Park visitation did not increase significantly over this time period (although it did not decrease like the national parks and many other sites). Residents are using their state parks more, while nonresidents comprise a smaller share of state parks

State and regional visitor trends raise the following question:

"If overall visitation increased, but visitation at key attractions declined, where are the visitors going, and what are they doing?"

Fig. 2.12: Visitation at Major Destinations, 1999



NOTE: Yellowstone National Park, which attracts nearly 3 million visitors per year, is not included because it is primarily in Wyoming, and it is not possible to determine the number of those visitors who travel in Montana. Source: ITRR, Univ. of Montana

Fig. 2.13: State/National Park Visitation Comparison

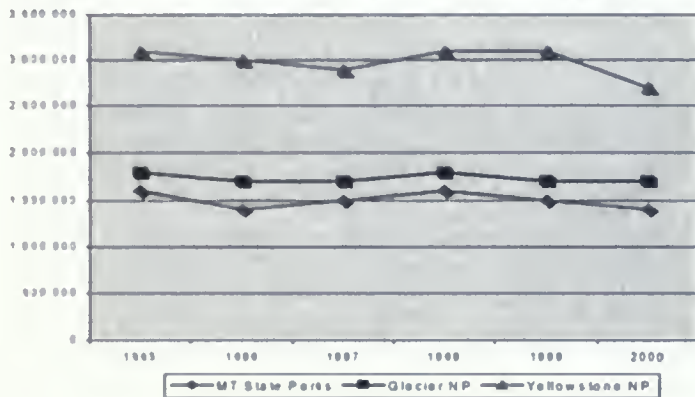
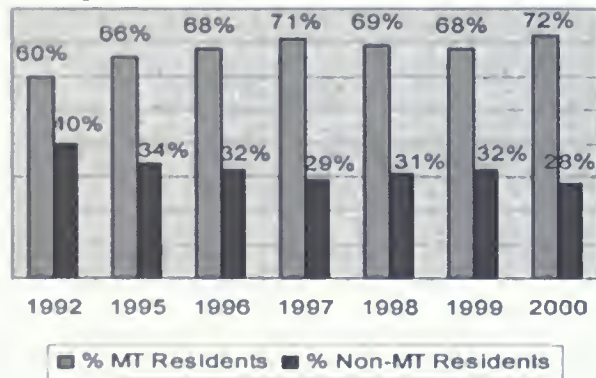


Fig. 2.14: State Park Visitors 1992-2000



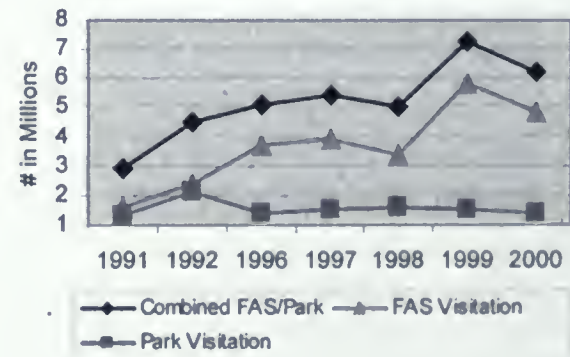
visitors (Figure 2.14). In 1988, state parks reported that visitation was about half residents, and half nonresidents. In 2000, nearly three quarters (72%) of state parks visitors were Montanans, while only 28% were nonresidents.

While overall state park visitation was flat, state fishing access sites (FAS) saw increases of 30%, representing an additional 1.1 million visitors to fishing access sites from 1996-2000 (Figure 2.15). Meanwhile, visits to national wildlife refuges in Montana increased by 44% from 1996-2001, according to the U.S. Fish & Wildlife Service (USFWS).

The Montana Department of Fish, Wildlife & Parks (FWP) estimates that state parks create approximately 1,500 private sector jobs and \$16.5 million in direct income for residents of nearby communities. Nonresident expenditures adjacent to parks are estimated at \$45 million (FWP, May 2001).

FWP and USFWS staff believe that some of the increased visitation may be the result of sportsmen who are moving to public lands to hunt and fish because of closures on private lands. Increased Summer visitation to state parks, fishing access sites, and refuges may partially account for downward visitation trends at national parks and other sites, as Montana residents seek recreational opportunities that are less crowded, and less expensive than national parks.

Fig. 2.15: State Park & Fishing Access Site Visitation Estimates, 1991-2000



B.5 Winter Travel is Up, But Recreation Trends are Mixed

First quarter (Jan-Mar) had the highest rate of growth in lodging revenues of any quarter from 1990-2000. Total winter nonresident visitation increased by 518,400 (37%) from 1998-2001. However, skiing trends in Montana can be described as “variable” over the past decade. Of the destination ski areas, Big Sky and Bridger near Bozeman saw the most growth. Big Mountain at Whitefish and Red Lodge south of Billings had some good snow years, but relatively little growth overall.

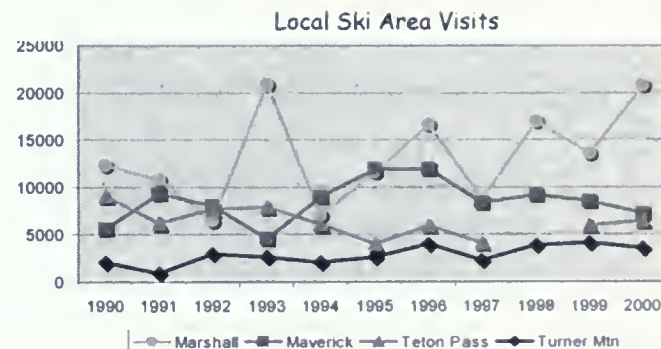
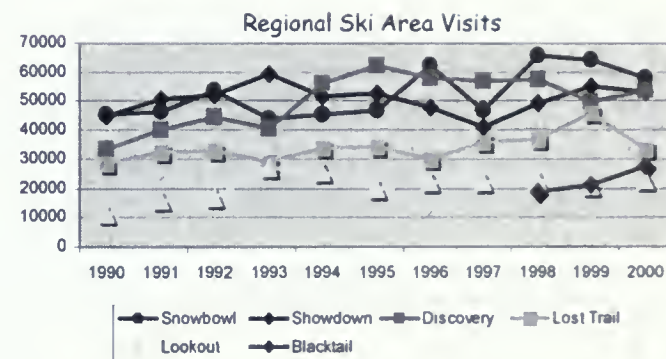
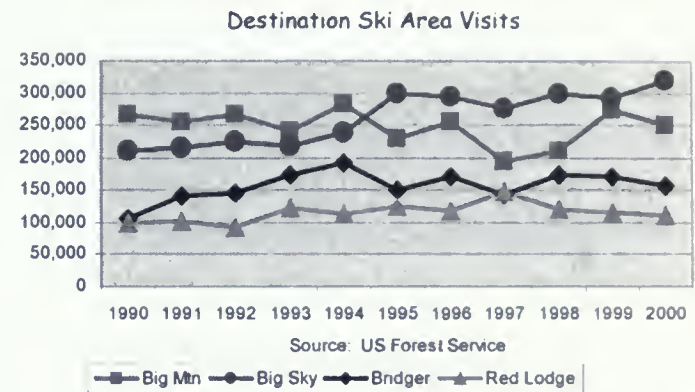
Nationally, skier visits increased in the 2000-2001 season after a decade of decline. This was due to several factors: early, heavy snowfall, deeply discounted season passes, continued growth in snowboarding (22% of Rocky Mountain Region visits), and development. As with other major destinations, resort owners in Montana are looking to real estate development for significant revenue growth, in addition to increases in skier visits.

Regional ski areas experienced mixed growth. Local ski areas held their own, but were most vulnerable to weather conditions, due to generally lower elevations and lack of snow-making capability.

Resident snowmobiling has grown about 65% over the past decade, based on snowmobile registrations, which increased by 8,000 from 1990-2000. Some of the increase included rental machines and previously unregistered machines, but overall resident use is up. Nonresident snowmobiling appeared to decline statewide from 19% of visitors participating (267,007) in 1998 to 6% of visitors participating in 2001 (115,422), according to ITRR Winter 2001 research. However, the number of snowmobilers in Yellowstone Park increased by 14% during the same time period, according to the National Park Service.

Montana’s winter recreation product continues to diversify with expanded indoor, as well as outdoor, activities. In addition to skiing and snowmobiling, outdoor recreation includes Winterfests, train rides, ice carnivals, competitions, ice fishing and boating. Residents and visitors alike enjoy winter shopping, trade and gun shows, museums, expositions, rodeos, symphony and theater productions, holiday festivals, bazaars, light shows and parades. Shopping is the most frequently mentioned indoor winter activity for nonresident visitors, according to ITRR studies.

Fig. 2.16: Montana Ski Area Trends



“Destination” ski areas are defined as 100k+ skier visits;
 “Regional” ski areas are defined as 20k-70k skier visits;
 “Local” ski areas are defined as <20k skier visits.

Fig. 2.17: Big Game Resident License Sales Trends

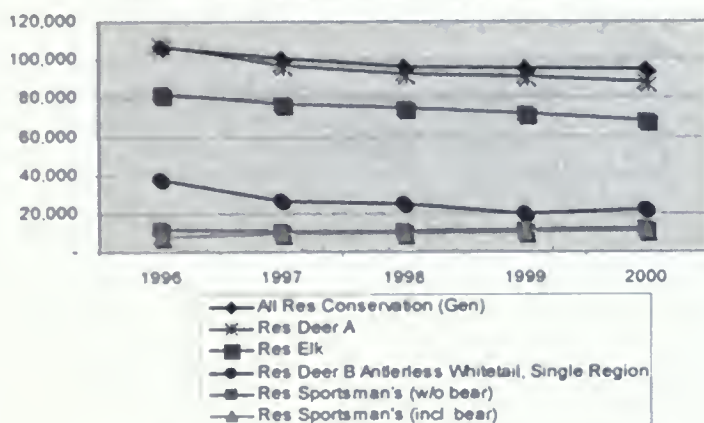


Fig. 2.18: Resident & Nonresident Hunting Licenses Sold

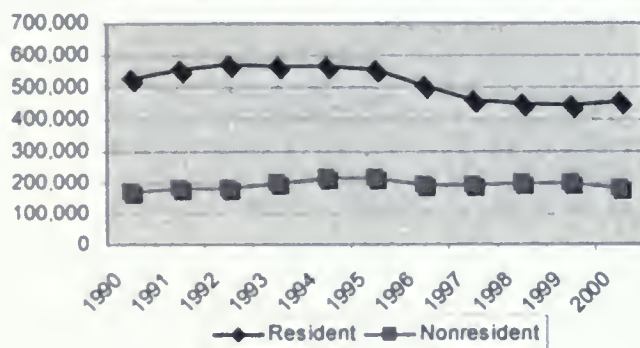
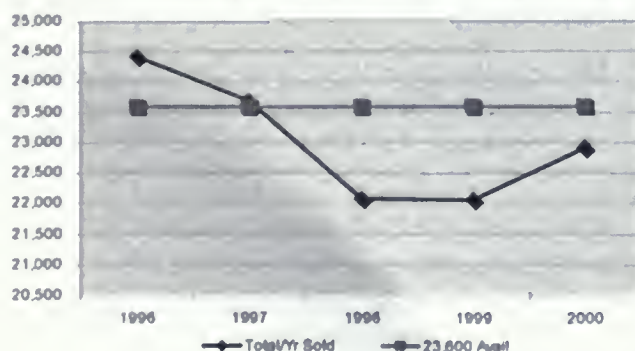


Fig. 2.19: Nonresident Big Game & Deer Combo Licenses



B.6 Hunter Numbers are Declining; Fishing Continues to Increase

To Montanans, fishing and hunting is a birthright – a part of their heritage – and a significant benefit to being a Montana resident. In fact, Montana is famous nationally and internationally for its fishing and big game hunting. Feature films like *A River Runs Through It* and *The Horse Whisperer* highlighted Montana's fish and wildlife assets, and attracted celebrities who purchased land in Montana. However, notoriety has created some controversy.

Downturns in agriculture and ranching have forced property owners to seek alternative sources of revenue from their land. Leases of fishing and hunting rights to outfitters and sportsmen's clubs is a viable economic diversification strategy for farmers and ranchers. However, the result is closure of private lands to other sportsmen, decreasing access to hunting and fishing areas, especially for Montana residents who traditionally have been allowed to hunt or fish on their neighbor's property.

Hunting

The planning team received many comments expressing concern about sportsmen's opportunities in Montana. Often, the comments implied that the number of sportsmen has increased substantially, yet the actual license sales figures tell a different story. Sales of big game licenses to Montana residents have declined in nearly every category since 1996 (Figure 2.17), and overall sales have declined 14%.

The number of all hunting licenses sold to nonresidents is less than half the number sold to residents, and has increased only 10% over the past decade (Figure 2.18). Sales of big game and deer combo licenses to nonresidents are capped at a five-year average of 23,600 per year, but have not reached even that level since 1997 (Figure 2.19). In some parts of eastern Montana, bird and big game hunting has grown significantly in national wildlife refuges. This may be a result of reductions in hunting access elsewhere in the state, along with increasing numbers of hunters from North Dakota and Wyoming. License sales affect federal funding to each state: the Federal Aid in Wildlife Restoration program, administered by the USFWS, apportions funds based in part on the number of paid hunting license holders.

According to FWP and the International Travel & Tourism Research Assn. (TTRA):

- Hunting license numbers have fallen significantly across North America in the 1980's and 1990's, and the activity has come under increasing attack by anti-hunting groups. (TTRA)
- If the downward trend of resident license sales continues, local support for hunting may abate to the point that it is no longer perceived to be "for food or wildlife management," but solely for economic and tourism reasons. (FWP)

Currently, hunting is an important economic activity and sport in Montana; largely in rural and economically depressed regions of the state. However, as new forms of special interest tourism have developed and continue to expand, more traditional recreation activities, such as hunting, have declined.

Fishing

Since 1990, resident fishing license sales have increased by about 6%, while nonresident sales increased by 19% (Figure 2.20). Many of these nonresident fishermen are "incidental" rather than "destination" fishermen: they may fish only a day or two, while residents may fish many days in a season. However, in drought years, certain areas of the state experience significant pressure as fishermen gravitate to a few drainages. The increase in nonresident fishing has contributed to growing concern about protecting Montanans' traditional fishing experiences versus promoting fishing to nonresidents.

Economic Impact of Hunting & Fishing (Source: Montana FWP)

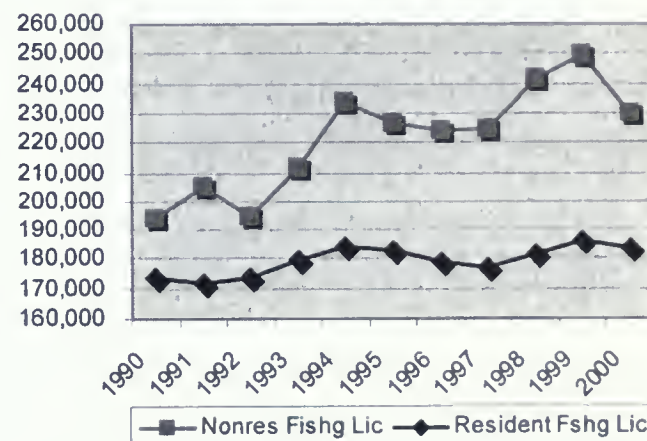
Sportsmen in Montana spent substantial dollars in 2000 on transportation, food, lodging, guide fees and other items (Table 2.2). The average non-guided, nonresident hunter has an economic impact of \$1,600 per trip to Montana, while a guided hunter has a \$3,800 impact (total of \$200 million in 2000). In general, the top states of origin of guided hunters are Pennsylvania, California, Washington, Texas and the mid-west (MI, WI, MN), while the top states of origin of do-it-yourself hunters are Washington, California, Minnesota, Wisconsin, Pennsylvania, Michigan, North Dakota, and Oregon.

Nonresidents support a significant share of Montana's fish and game management efforts: two-thirds of all fiscal year 2000 hunting/fishing license revenue to FWP came from nonresidents. Additionally, 43% of the entire FWP Department's total 2001 revenue came from nonresident hunting/fishing license sales. So, if the number of nonresident sportsmen declines, the FWP budget will decline, or resident sportsmen will have to make up the loss in revenue.

Table 2.2: Sportsmen Spending in Montana, 2000

Anglers	\$222 million
Elk hunters	\$ 83 million
Deer hunters	\$ 74 million
Antelope hunters	\$ 10 million
Bear hunters	\$ 4 million

Fig. 2.20: Resident vs. Nonresident Fishing Licenses



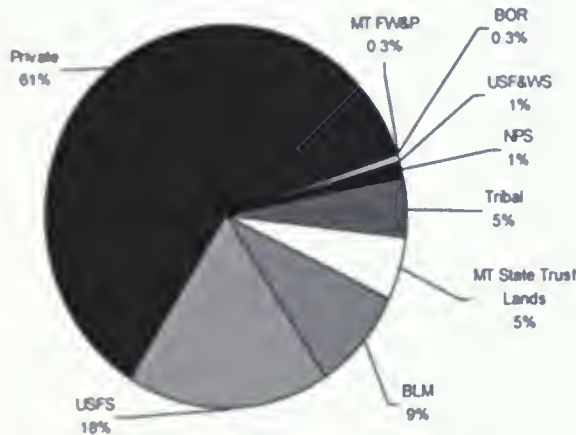
Impact of Nonresident Hunters

Guided	\$3,800/trip
Non-guided	\$1,600/trip

(Source: FWP)

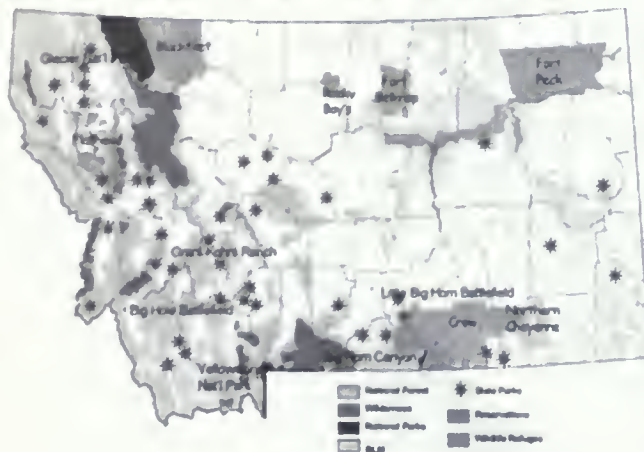
43% of the entire FWP Department budget came from nonresident hunting/fishing license sales in 2001. (Source: FWP)

Fig. 2.21: Land Ownership in Montana



61% of Montana land is privately owned.
39% is owned by public agencies & tribes.
Source: NRIS

Fig. 2.22: Land Ownership Map



C. Tourism & Recreation Assets and Opportunities

Tourism and recreation assets can be divided in four general categories: attractions, activities, events and support systems. Because of its vast land base, many of Montana's attractions, activities and events are linked to its natural resources (Figures 2.21 and 2.22 at left). Examples of each are listed below, and more detailed information is provided on the pages that follow:

Attractions

Natural (God-made): Mountains, forests, grasslands, rivers, streams, lakes, wildlife, landscapes, flora, fossils

Developed (man-made): Cities, resorts, ski areas, hotels, campgrounds, restaurants, shops, museums, galleries, theaters, parks & recreation facilities

Publicly-owned or managed: national parks/sites, monuments & forests, wilderness areas, rivers, lakes and streams, state/county/city parks, tribal lands, civic facilities, recreation facilities (pools, golf, etc.)

Privately-owned: businesses, farms/ranches, homes, golf courses, resorts

Activities

Outdoor (Active, Passive): Hiking, biking, fishing, hunting, skiing, rafting, snowmobiling, snowshoeing, golf, horseback riding, scenic driving, wildlife viewing, etc.

Indoor (Active, Passive): Shopping, swimming, skating, bowling, paintball, dining, spas, tours, visiting family/friends, etc.

Events

Spectator: Sports events, theater, concerts, reenactments, etc.

Participatory: Festivals, meetings/conferences, reunions, dances, sports competitions (triathalons, fun runs, etc.)

Support Systems

Supplies & Services: Suppliers of goods/services, construction, maintenance, etc.

Education & Training: Industry knowledge, career training, business resources

Infrastructure: Transportation, communications, community services, facilities

Funding & Public Policy: Institutional support, funding for promotion/programming

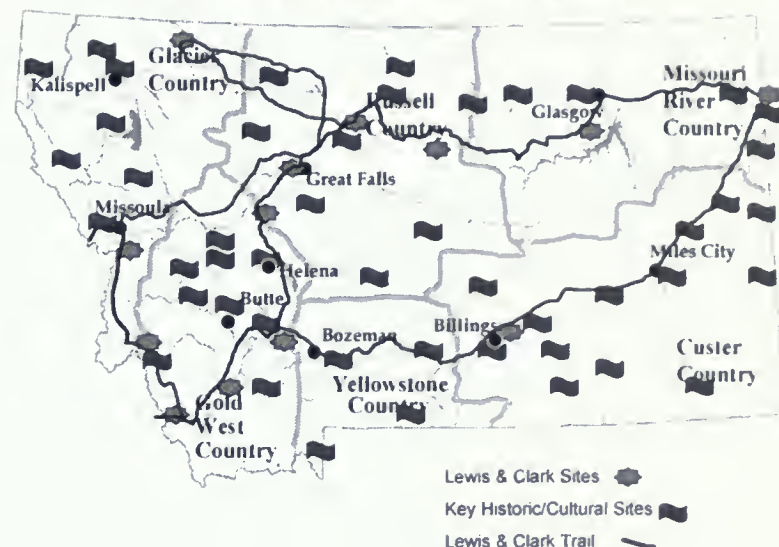
C.1 Montana is Rich in Heritage and Cultural Assets

Montana is rich in its quality and variety of historical and cultural assets, from folk music to symphony, cottage crafts to art galleries, pow wows to museums and interpretive centers, civic theater to off-broadway, ghost towns to urban centers. Montana's famous historical figures include Chief Plenty Coups, Chief Joseph, Lewis & Clark's Corps of Discovery, General George Custer, The Copper Kings, C.M. Russell, Jeanette Rankin and many others. Figure 2.23 at right highlights key historic and cultural sites/facilities. By viewing these assets on a map, it is possible to see how tourism planners can "connect the dots" between historic, cultural, natural and urban destinations to develop cultural and heritage corridors, loop tours and packaged trips for targeted customer markets.

Montana contains 2,000+ miles of the Lewis & Clark Trail – 25% of the entire route. More than 100 Montana communities lie in the Lewis & Clark Trail corridor, along with six of Montana's seven Indian reservations. The Lewis & Clark Bicentennial Commission has led planning and funding efforts for fifteen local and five tribal Bicentennial organizations, and a dozen state and federal agencies. As a result, Montana is better prepared for the 2003-2006 Bicentennial commemoration than most states. However, an additional 4-8 million visitors are projected, and much work remains, as Montana has so many miles of the Trail in areas where services/facilities are limited and assets are sensitive. Most of the communities along the route are small, rural towns, relying on volunteer efforts for planning and implementation. Volunteer burnout and lack of resources to manage/maintain sites, facilities and events are serious concerns if Montana is to take advantage of economic opportunities offered by the event, without being overrun by Bicentennial visitors.

A key to balancing increased visitation with protection of natural, historic and cultural assets is to target the types of visitors who prefer more developed experiences (museums, reenactments, state/national historic sites, events and historic downtowns). Montana has plenty of these assets, so it is possible to steer visitors away from sensitive sites/areas and toward more developed sites that can handle higher visitor loads. However, developed sites also present challenges: higher visitor numbers mean increased costs for staffing, maintenance, interpretation, waste removal and utilities. Reliable funding is needed for these items.

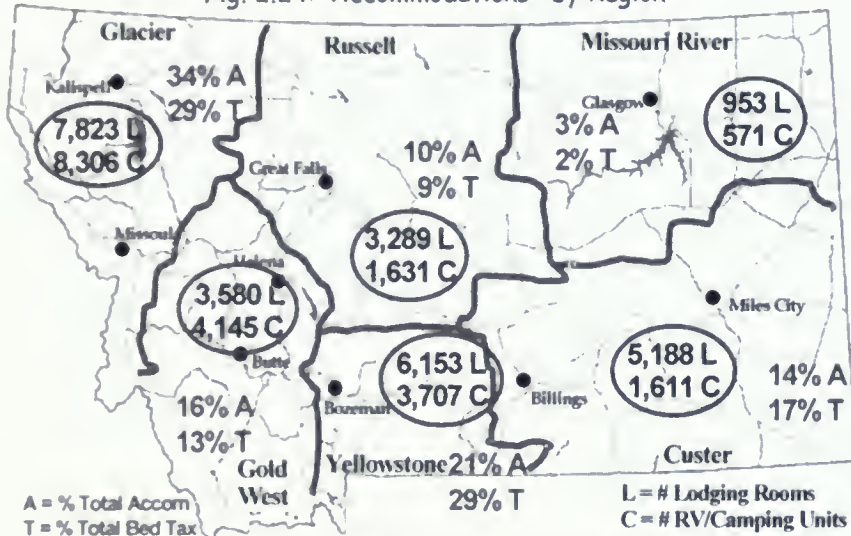
Fig. 2.23: Key Heritage & Cultural Assets



Montana is projected to host an additional 4-8 million visitors for the Lewis & Clark Bicentennial between 2003 and 2006. Volunteer burnout and lack of resources are serious concerns if Montana is to take advantage of the economic opportunity, without being overrun.

A key to balancing increased visitation with protection of assets is to target visitors who prefer developed experiences over primitive ones. It is possible to steer visitors away from sensitive sites/areas and toward more developed sites that can handle higher visitor loads. But funding is needed to staff and maintain these sites/facilities.

Fig. 2.24: Accommodations* by Region



95 lodging properties have meeting/conference facilities.

* 436 Ranch/Resort/Hot Sprg/Condo/Vac Home/Cabin units not included.

In Missouri River Country, creative options for accommodations during the Bicentennial are being considered, such as "villages" of tipis and outfitter wall tents. These options would give visitors a unique experience, while boosting the region's economy and lodging tax collections.

Montana's hospitality and service received the highest satisfaction rating among nonresident visitors in 2000-2001. Programs like SuperHost! help build service skills in the tourism and recreation industry.

C.2 Accommodations Assets Vary Widely by Region

Montana has a tremendous variety of accommodations to suit customer tastes and preferences, from economy motels to luxury resorts, bed & breakfast inns to guest ranches, retreat facilities to convention centers, and primitive campsites to full-service camping resorts. Figure 2.24 at left shows the number of lodging units (guest rooms) and RV/camping spaces for each of the six travel regions (numbers are circled). It also shows the percentage of units that each region contains compared to the statewide total (%A). All private and some public lodging and camping facilities collect the 4% lodging tax, which funds tourism and recreation promotion and development.

Additionally, Figure 2.24 compares the lodging tax collected by each region to the total amount of tax collected statewide (%T). It is interesting to note that while Glacier Country contains 34% of the accommodations facilities statewide, it collects 29% of the lodging tax – the same as Yellowstone Country, with

21% of the accommodations facilities. This is likely due to the larger number of camping facilities in Glacier Country, as well as higher average room rates (and therefore tax charged) in Yellowstone Country. Missouri River Country contains 3% of the accommodations facilities, and collects 2% of the lodging tax.

Since Missouri River Country contains a large portion of the Lewis & Clark Trail, increased visitation during the Bicentennial will put elevated pressure on existing facilities. Creative options are being considered for temporary accommodations (such as "villages" of tipis or outfitter wall tents) to handle anticipated travelers. Such lodging options would give travelers a unique experience, while boosting economic impacts from the Bicentennial and increasing the region's lodging tax collections.

A statewide survey of nonresident visitors in 2000-2001 by the University of Montana Institute for Tourism and Recreation Research (ITRR) revealed that the hospitality and service received by visitors from Montanans was given the highest satisfaction rating of all elements of the visitors' trips. The SuperHost! hospitality training program and other educational programs for businesses have helped to build hospitality and service skills in the tourism industry.

C.3 Support Systems Retain Viability of Tourism

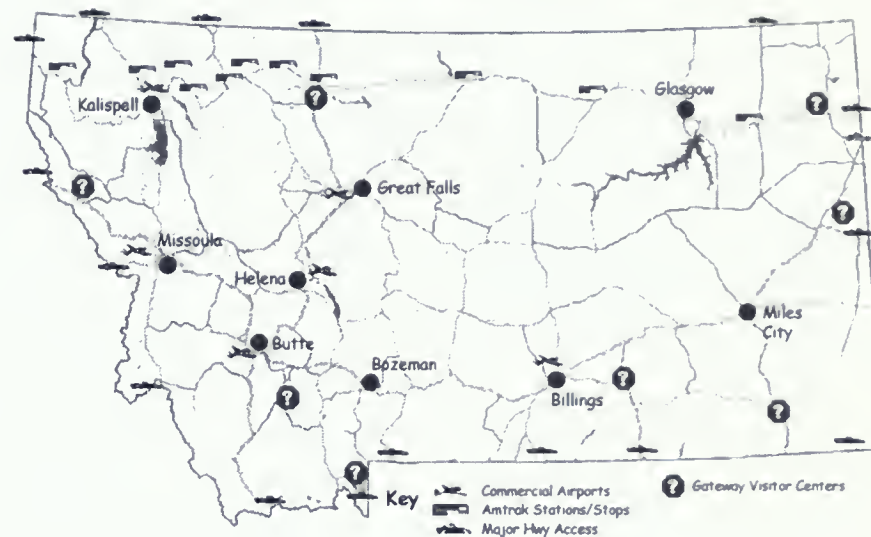
In order for tourism and recreation to be sustainable and successful, a number of support systems and services must be in place. These critical support systems include:

- **Supplies and services:** suppliers of goods and services to tourism businesses/agencies, such as freight carriers, food/beverage wholesalers, agricultural producers, auto sales/parts/service, construction, maintenance, insurance, banking, landscaping, retail products, etc.
- **Education and training:** knowledge of regional/national and international trends and programs, training for employees, professional and career development, entrepreneurship.
- **Infrastructure:** transportation (highways, roads, bridges, rest areas, air service, car rental, shuttles, taxis, passenger rail, local transit, bike/pedestrian facilities, etc., see Figure 2.25), communications systems (visitor centers, Internet access, phone services, signage), community services (water/sewer, solid waste, law enforcement, medical/EMS) and recreation facilities (boat ramps, parks, etc.).
- **Funding and public policy:** stable, dedicated funding resources and public policy support for tourism promotion and development, infrastructure and support systems.

The tourism and recreation industry could not function without the support systems outlined above. Moreover, enhanced support systems provide higher quality visitor experiences – and higher levels of visitor spending. Direct economic impacts of resident and nonresident tourist expenditures result from the initial purchases of goods and services. Indirect impacts are not as easily recognized or measurable, and therefore often are not considered as the result of tourism and recreation. To see the true impact of tourism and recreation on Montana's economy, it is important to track and measure both the direct and indirect impacts of visitor spending.

There are opportunities for the tourism and recreation industry to partner with Montana's other industries in mutually-beneficial collaborations. Examples include creating systems for more Montana agricultural products to be served to tourists in restaurants, cooperative advertising with the Montana Beef Council in targeted geographic markets, etc.

Fig. 2.25: Montana Transportation Gateways



There are opportunities for the tourism and recreation industry to partner with Montana's other industries in mutually-beneficial collaborations. Examples include:

- Create systems to serve more Montana ag/food products to tourists in restaurants
- Cooperative advertising with the Montana Beef Council and other producer groups
- Highlight Montana products in state visitor centers and rest areas (log furniture, etc.)



In 2001, nonresident tourists ate 110,000,000 meals in Montana – or 2.1 million per week. They spent \$332 million on restaurant meals and beverages, and another \$125+ million on groceries and snacks.



Montana Superhost! Logo

Supplies and Services

Tourism and recreation in Montana is interconnected with, and dependent upon, many other business sectors. Without suppliers of goods and services, tourism and recreation providers could not serve their customers. Suppliers include farmers, ranchers, wholesalers, freight companies, car dealers, construction companies, repair services, insurance brokers, bankers, architects, lawn care services, fuel dealers and many others. Montana's agriculture industry seeks to diversify with value-added agricultural products, but with only 900,000 residents, Montana does not provide a huge consumer market. However, with ten times that number of nonresident tourists – 9.5 million in 2001 – there is a substantial market for value-added ag products if systematic linkages can be built between food producers and restaurants, outfitters and other food service providers (tourists ate 110 million meals in 2001).

Education and Training

In the service industry, quality customer service and professionalism are paramount to success. Many (if not most) of Montana's tourism and recreation providers are small businesses, often without any affiliation to a larger organization or franchise which would provide training and professional development. Recent interviews of nonresident visitors indicate contentedness with their experiences in Montana, and high satisfaction with Montana's hospitality and service. To maintain quality tourism products and services, Montana's educational support system, or "Edu-structure" (a term coined by Jeri Mae Rawley of Flathead Valley Community College), is critical to the tourism and recreation industry. Key categories of training include:

- 1) Professional development for business owners and managers, which currently is available through universities, colleges and small business development centers (SBDC's). Industry-specific training is preferable; however, programs such as the NxLevel entrepreneurship course are valuable for general business management and marketing skills.
- 2) "Front-liner" training for current and future customer service employees – a need currently being filled by the Montana Superhost! and Teens in Tourism programs.
- 3) An information/networking system to share state/national/international trends, success stories, innovative ideas and implications for Montana, so that stakeholder groups and tourism/recreation providers can benefit from them. In other words, Montana tourism and recreation providers need to know "what's going on" elsewhere in the country/world, in order to adjust to changing trends and customer needs.

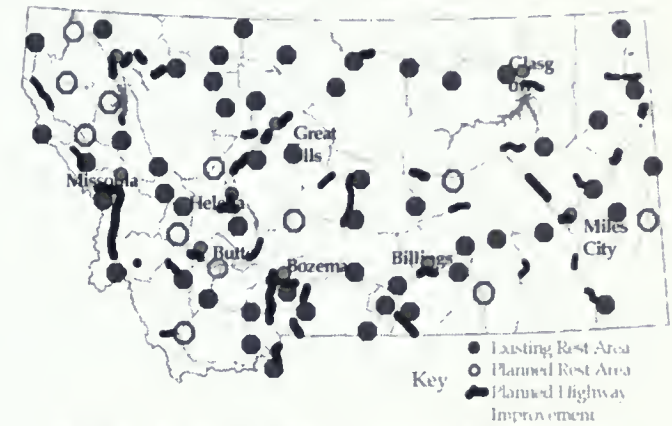
Transportation Infrastructure

Figure 2.25 on page 21 shows the network of transportation gateways in Montana: major highways, airports, Amtrak stations and visitor information centers. From 1992 to 2000, the number of Daily Vehicle Miles Traveled (DVMT) in Montana rose about 17% from 23+ million miles to about 27 million miles. Nonresident visitor studies in 2000-2001 by the University of Montana indicated that nonresident travelers are increasingly satisfied with Montana's transportation infrastructure. Satisfaction with rest areas is rising: 25% of 2001 repeat summer travelers said the availability of rest areas has improved, and only 11% are dissatisfied. Some dissatisfaction with rest areas was expressed by Montanans during public meetings for this Strategic Plan. However, Figure 2.26 at right shows existing and planned rest areas statewide, along with highway improvement projects planned through 2005. When completed, these highway and rest area improvements will greatly enhance both resident and nonresident traveler experiences.

Montana's location in the Rocky Mountain west creates both benefits and challenges for tourism and recreation. The State's remoteness, vast open spaces and scenic beauty are its greatest attraction for both residents and visitors. Yet these same qualities provide its greatest challenges for transportation providers and travelers: it is difficult to get to and through Montana conveniently. Figure 2.27 is a map of air service routes to and through Montana. Considering Montana's size and small population density, it is well-served by air carriers on a per capita basis. However, without nonresident tourist travelers (half of all air passengers), Montanans would not have the benefits of this level of air service.

Table 2.3 on the next page shows that commercial air service enplanements increased by 33% from 1993 to 2000. It also details the volume of traffic at the state's seven major airports. While Billings has the most traffic (29% of all statewide enplanements), airlines at all other airports except Great Falls had higher traffic growth rates. During 2001, air travel in Montana followed national trends, declining after September 11th, but rebounding during the first three months of 2002, even surpassing 2001 first quarter enplanements. Table 2.4 (next page) shows the airlines and car rental companies that serve each of Montana's major destinations.

Fig. 2.26: Rest Areas & Highway Improvements



Source: Montana Dept. of Transportation Statewide Transportation Improvement Plan (STIP), and Montana Rest Area Plan.

Below: One of several new designs for Montana State Rest Areas



Fig. 2.27: Airline Routes To/From Montana

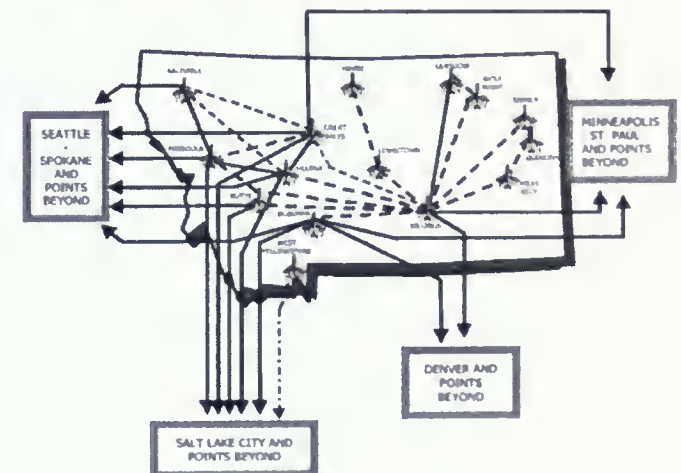


Table 2.3: Commercial Air Service Enplanement Trends by Airport

Airport									Percent Change 1993-2000
	1993	1994	1995	1996	1997	1998	1999	2000	
Billings	303,855	308,493	331,146	322,023	317,521	327,304	339,855	359,524	18.3%
Bozeman	174,256	172,502	185,710	195,248	207,352	217,308	221,997	242,850	39.2%
Butte	36,742	38,450	38,754	43,481	44,087	44,747	49,133	48,821	32.9%
Great Falls	122,376	119,806	124,538	121,315	123,181	126,216	136,086	141,833	15.9%
Helena	56,178	60,813	63,002	68,368	72,814	78,883	79,862	76,473	36.1%
Glacier Park	89,490	101,715	114,031	121,341	130,838	133,615	146,770	158,821	77.5%
Missoula	165,154	165,091	175,027	175,647	192,000	202,277	221,387	232,738	40.9%
TOTAL	948,049	966,870	1,032,208	1,047,398	1,087,393	1,128,150	1,195,070	1,260,860	33.0%

Without nonresident visitors, Montana would not have the level of passenger air and rail service that it currently enjoys.

Planning efforts for increased tourism must include planning for impacts on local infrastructure and services, such as water/sewer, telecom & EMS.

135,421 passengers. Of that, 42% of the ridership came through the Whitefish station. Shelby and Havre each saw about 12% of the ridership, and the remaining 34% (46,925 riders) was divided among the other nine stations. Without nonresident tourists, Amtrak would not be able to offer service along the hi-line in Montana. Future Amtrak service may be at risk, depending on congressional support.

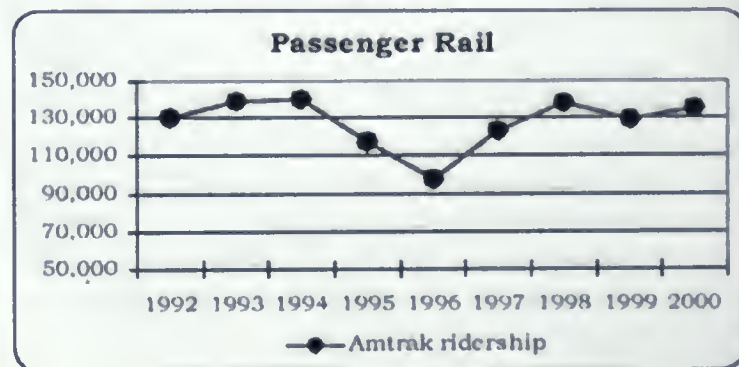
Tourism and recreation cannot function successfully without local infrastructure, such as water/sewer services, utilities, EMS and telecommunications. The condition of local infrastructure and services varies greatly across the state, but increases in tourism have an impact on them. Planning for this impact is part of the tourism development process.

Table 2.4: Commercial Air & Car Rental Service by City

Billings	Bozeman	Butte	Glacier	Glendive	Great Falls	Havre	Helena	Kalispell	Lawistown	Miles City	Missoula	Sidney	West Yellowstone	Whitefish	Wolf Point	
x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	Big Sky
x	x	x		x	x	x	x		x	x			x	x		Delta
x	x	x		x	x	x	x		x	x			x	x		Horizon
x	x	x		x		x	x		x	x			x			Northwest
x	x	x		x		x			x			x				Sky West
x	x								x							United
							x									Smart Air
x	x	x	x	x	x	x	x		x	x	x					Avis
x	x	x		x	x	x	x		x				x			Hertz
x	x	x	x	x	x	x	x	x	x			x	x			Budget
x	x			x	x	x	x		x							Enterprise
x	x			x	x	x	x		x							National
x									x							Dollar
x									x							Thrifty

Montana also is fortunate to have passenger rail service from Amtrak's Empire Builder. Figure 2.28 shows that Amtrak ridership has not increased significantly since 1992, and ridership dropped substantially when Amtrak reduced service to four days a week from February 1995 to May 1997. In 2000, Amtrak boardings and deboardings at its twelve stations in Montana totaled

Fig. 2.28: Amtrak Ridership in Montana 1992-2000



Funding and Public Policy

The tourism and recreation industry needs a rational, consistent public policy environment to be sustainable – as does any industry. Changes in public policy over time are inevitable as public (citizen) opinion changes, and new leaders are elected. However, a rational, common-sense approach to public policy allows sustainability in the industry and state's economy, while protecting the values of Montanans. Public policy decisions can dramatically impact tourism and recreation. For example, changes in regulations or fees affect the profitability of businesses; tax rates affect the disposable income of citizens. Public policy also affects infrastructure that supports tourism and recreation, such as funding subsidies for passenger rail or air service, historic preservation, the arts or road maintenance.

The tourism and recreation industry also needs strategic, cooperative marketing efforts to promote its products and services to Montanans and nonresident tourists. As in many other states, Montana has a lodging tax to fund tourism promotion and development (see Montana Code Annotated 15-65, Appendix B). That is, Montana lodging properties collect from their customers a 4% tax on each room night or RV/camping space rental. This concept for funding tourism promotion is similar to a producer's fee at the point of sale (check-off program) to fund the marketing and research efforts of the Montana Wheat & Barley Committee or the Montana Beef Council. These revenues provide a stable, dedicated fund for industry promotion and development, which keeps Montana in the minds of state, national and international travelers who are planning their vacations, conventions, family reunions or other trips.

The 4% Montana lodging tax is in addition to any other local taxes, such as a resort tax. According to the Travel Industry Association of America (TIA), the national average tax rate on hotel rooms is 12% (including any sales tax and local option taxes, such as resort, city or convention/auditorium taxes). Over the past decade, lodging tax collections in Montana rose from \$6.06 million in 1990 to \$11.5+ million in 2001, an 88% increase. Figure 2.29 at right shows how the lodging taxes were used in 2001 (see Appendix B for statutory distribution details). Of the \$11.5 million collected in 2001, \$8.7 million was used for tourism and recreation promotion and development programs and staff at the state, regional and CVB level. Of that, \$2.6 million was spent by Travel Montana on state advertising. The remaining \$2.8 million in lodging tax went to support the Montana Dept. of Fish, Wildlife & Parks, the Montana Historical Society (capitol tours, L&C Commission & grants, Scriver storage), Montana Heritage & Preservation Commission, Univ. of Montana tourism & recreation research, Montana Trade Program, State Agency Lodging Fund and the Dept. of Revenue (for lodging tax administration/enforcement).

Fig. 2.29: 2001 Montana Lodging Tax Uses

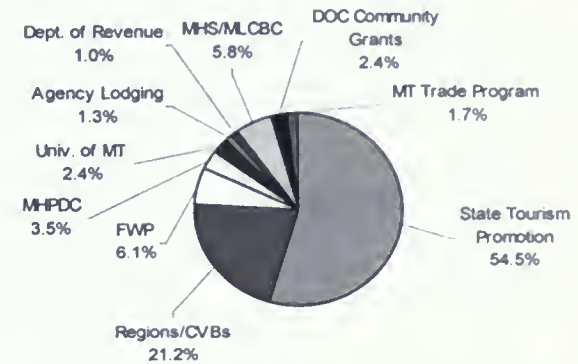


Table 2.5:
2001 Uses of Montana Lodging Tax

Tourism Promotion:	
Dept. of Commerce	\$6,294,078
16 Tourism Regions/CVBs	2,446,680
Community Grants (DOC):	
Cmty Tourism Assessment	280,000
Tourism/Rec'n Infra, Events	
MT Fish, Wildlife & Parks	706,819
MT Historical Society	674,702
Historical sites/signs	
L&C Bicentennial Comm/grants	
Capitol tours, Scriver Collection	
MT Heritage Preservation & Development Commission	400,000
Acquire/manage historic property	
Univ. of MT/ITRR - Research	271,853
Montana Trade Program (DOC)	200,000
Agency Lodging Reimbursement	150,014
State employee lodging	
Dept. of Revenue	115,395
Collection/admin/enforcement	
TOTAL:	\$11,539,542



Canoeing on the Missouri River

A top priority for tourism and recreation planners is to serve the needs of Montanans first: preserve their recreation opportunities, natural environment and affordability of recreation.



Great Northern Center, Helena

Tourism provides revenue for businesses, taxes, jobs, fish & wildlife management, recreation facilities, historic preservation, events, and transportation services.

D. Tourism & Recreation Challenges and Threats

Montana has a strong tourism and recreation industry. However, in spite of (and partially because of) its strength, it also faces a number of challenges and threats which must be addressed to ensure that the industry is sustainable, and consistent with the values of Montanans. During the planning process for this document, public outreach efforts revealed a number of consistent and clear messages from Montanans about tourism priorities:

- Serve Montanans first: preserve recreation opportunities, natural environment, affordability
- Maintain the lodging tax for tourism promotion and development
- Address access issues on public and private lands
- Improve Montana's transportation system for residents and visitors
- Retain community heritage, character and sense of place
- Expand heritage and cultural tourism
- Protect Montana's natural, historic and cultural assets: focus on quality, monitor impacts
- Enhance traveler services: rest areas, visitor information centers, signs
- Increase Montanans' awareness about tourism/recreation benefits and impacts
- Address the need for statewide, four-season tourism activities/events/attractions
- Build better collaboration between sectors, organizations, communities and regions
- Provide support systems to assist locally-owned businesses
- Continue the State's lead role in tourism promotion, partnered with regional/local efforts
- Improve tracking and dissemination of results of tourism promotion efforts

In response to public input, the planning team has identified the issues on the following pages as key challenges and threats facing the tourism and recreation industry.

D.1 Tourism Must Balance the Needs of Montanans and Nonresident Visitors

Tourism – both resident and nonresident visitation – provides many economic and social benefits to Montana: revenue that supports businesses and generates taxes, jobs, fees for fish and wildlife management, revenues for recreation facilities and historic preservation, event attendance, transportation services, diversity of human perspectives, etc. However, in some parts of the state, at certain times of the year, the number of nonresident visitors appears to have an increasingly negative impact on the experience of Montanans, based on public input received by the planning team. This is particularly true for fishing and hunting. But the impacts need to be quantified. Recent research by the University of Montana found:

Montana residents generally agree that the overall benefits of tourism outweigh the negative impacts, and they do not feel that the state is becoming overcrowded because of tourists.¹ There are concerns, however, that *increases* in tourism may affect the overall quality of life in Montana, and negatively impact natural, cultural, and historic resources.

Additionally, the 2000 Community Tourism Assessment Program resident attitude survey (ITRR Report 2001-4) found that Montanans are unsure about tourism's influence on quality of life. This study revealed that *most Montanans are not well informed* about the tourism industry or its influence. The study concluded that *residents lack the information necessary to determine whether or not increased tourism will impact their quality of life.*

These findings indicate three key challenges for the tourism and recreation industry:

1. Better information is needed to determine exactly where, when and how Montanans are being negatively impacted by nonresident visitors (as opposed to other resident visitors).
2. Montanans need better information about the tourism industry, its benefits and impacts, in order to develop informed opinions about tourism's impact on their quality of life.
3. Proactive, cooperative action is needed to address key areas of concern or conflict.

In specific areas and seasons when impacts are problematic, the tourism and recreation industry needs to work proactively with local, state and federal agencies to develop solutions. Examples of methods for addressing conflicts include:

- Site/facility enhancements to handle increasing visitation (where desirable and practical)
- Limits on the number/type of visitors to a specific area (permits, allocation, etc.)
- "De-marketing" of a specific area or site so that it is used primarily by "locals"
- Marketing of alternative areas/activities/seasons to encourage visitation elsewhere
- Reliable tracking and monitoring of visitation, impacts and resident attitudes

Montana's tourism promotion campaigns have historically focused heavily on the state's natural assets: wide open spaces, mountains, rivers, forests, fish, wildlife and nature-based recreation. As a result, Montana attracts nonresidents seeking those types of experiences. If Montanans feel that there are too many nonresident sportsmen or other outdoor recreationists, promotions could de-emphasize natural/primitive experiences, and focus on more controlled or developed experiences – in the context of Montana's natural environment and surroundings.

Montana's tourism promotion campaigns historically have focused heavily on the state's natural assets: wide open spaces, mountains, rivers, forests, fish, wildlife and nature-based recreation. As a result, Montana attracts nonresidents seeking those types of experiences.

Key Challenges regarding Balance between Residents & Nonresidents

1. Tourism planners and promoters need specific information about where, when and how Montanans are negatively impacted by nonresident visitors.
2. Montanans need information about the benefits and impacts of tourism.
3. Proactive, cooperative action is needed to address conflicts.

"The advertising promotes Montana as a great place to go camping. We need more focus on images that bring tourists who will spend money in our hotels and communities."
- Tourism industry representative

¹ UM Institute for Tourism & Recreation Research (ITRR) Report 2001-5



Montana Tourism Ad

Nationally, all State tourism offices budgeted a combined \$686 million for promotion in fiscal year 2000-01.

Of that, public sector funds represented 92%, or \$631 million. Illinois alone spent \$61.1 million on tourism promotion in FY 2000-01. Montana spent about \$4 million.



4-wheelers in Cooke City

D.2 Lodging Tax Funding for Promotion is Critical to Tourism Sustainability

Montana's tourism and recreation industry is composed primarily of organizations with very limited budgets (small family businesses, state/local agencies, regional tourism groups, and local nonprofit and volunteer organizations). These organizations do not have the resources to promote effectively to statewide or national markets. Therefore, cooperative efforts are necessary to create and develop a destination image for Montana that will attract desired resident and nonresident tourists. Without cooperative promotion efforts, Montana would not be "on the map", because as tourism has grown to a \$454 billion industry, competition for visitor dollars is fierce. Compared to many other destinations, Montana's tourism promotion efforts are miniscule (Illinois spent \$61.1 million on tourism promotion in fiscal year 2000-01).

Promotional communication with markets is critical, and messages must be strategic and targeted. Montana's tourism industry is younger than those in many eastern states or other countries, so it has not developed the level of marketing cooperation and sophistication of more mature destinations. Therefore, state-led tourism promotion that is funded by the lodging tax is critical to the industry's success and sustainability. TIA reports that, nationally, state tourism offices budgeted a combined \$686 million for promotion in fiscal year 2000-01. Of that, public sector funds represented 92 percent, or \$631 million. States use \$178 million of the total for domestic advertising (average of \$3.6 million each), and about \$50 million of the total for international advertising. Cooperative state and regional promotion efforts funded by lodging tax ensure that all organizations are represented – not just large corporate interests. Strategic promotion efforts need to continue enhancing year-round revenues in order to create economic stability, higher-wage jobs and sustainable businesses, particularly in rural communities.

D.3 Land and Wildlife Management Issues are a Top Concern

Access to public and private lands, and protection of Montana's natural resources, were top priorities among participants in public meetings and online surveys conducted by the planning team. Issues related to public land management included backcountry vs. front country access and management, motorized vs. non-motorized uses, restrictions, allocations, wilderness and roadless areas, endangered species, sensitive areas (impacts), and management of game animals. Issues on private lands included Block Management, access to public lands & waters, and management of public wildlife. Details of each issue are too voluminous to describe in this document; however, key challenges are the following:

1. Discussions of land management issues must involve participants from all perspectives: citizens, agencies, representatives from communities, tourism industry, sportsmen's organizations, tribes, wildlife and conservation organizations, historical/cultural groups.
2. Solutions need to focus first on "ends" – finding common ground based on the values of Montanans, then to focus second on "means" – ways to achieve the "ends."
3. Sustainability and high quality experiences are key goals; however, defining these terms in tangible, measurable ways presents its own challenges.
4. In order to properly manage resources, either for "natural" or "developed" experiences, baseline data and regular monitoring of impacts are necessary. In many cases, good baseline data does not exist – or is not collected in a consistent format – so as to measure problems or progress.
5. A number of "hot spots" were identified by citizens and land managers as areas of concern related to tourism and recreation growth (see Figure 2.30). These "hot spots" include: Big Hole, Gallatin, Upper Missouri, Blackfoot and others.
6. Agencies that manage public lands and wildlife face limited funding/budgets/staffing to effectively manage and monitor all issues and sites. Cooperative partnerships with local and regional organizations are necessary for land management challenges to be addressed effectively.
7. Changing population demographics (e.g., aging Baby Boomers) and a strong economy have increased demand for motorized recreation (Figure 2.31).
8. Low commodity prices force private landowners to seek alternative revenue sources from their land. Maintaining public access entails significant commitments of landowner time and resources, with little or no compensation.
9. Projected visitation during the Lewis & Clark Bicentennial could present significant short-term impacts. Preparations are progressing, but more is needed if projections are accurate.

It is incumbent upon Montana's tourism and recreation industry partners to address land and wildlife issues proactively – to be part of the discussions and solutions – if the tourism industry is to receive continued support from Montanans.

Fig. 2.30: Hot Spots Map

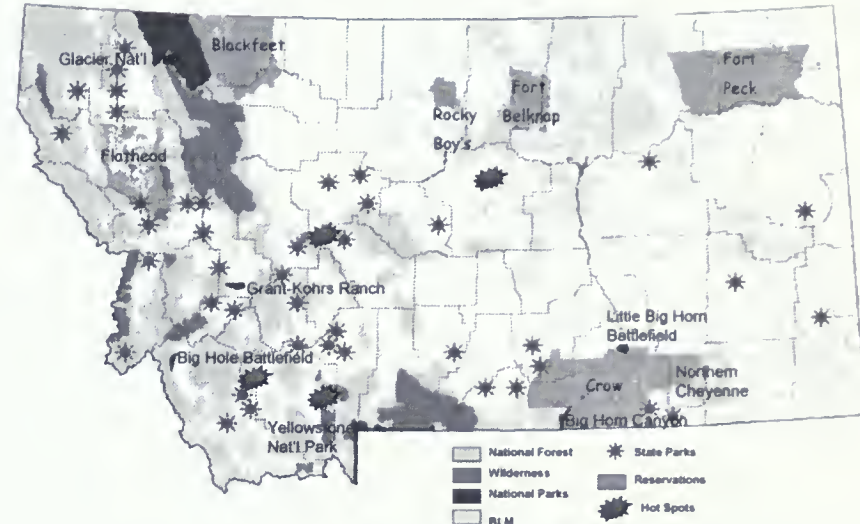
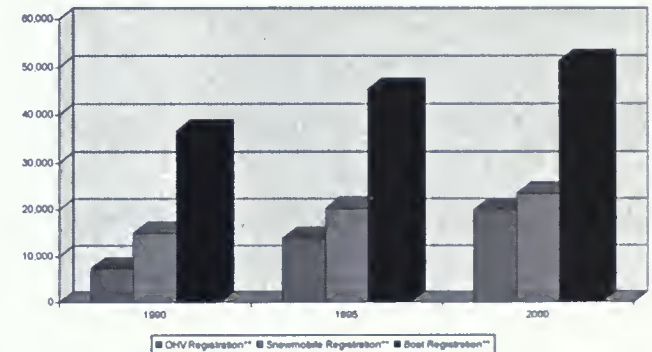


Fig. 2.31: Motorized Recreation Trends in Montana





Montana's sparse population makes transportation infrastructure extremely expensive and inefficient on a per capita basis. Tourism supports enhanced transportation services, which benefit Montana citizens and businesses.



Nevada City

Tourists can help pay to preserve Montana's historical and cultural assets through entrance and tour fees, donations to historic trusts, participation at special events, and awareness-building beyond Montana's borders.

D.4 Transportation is Key to Montana's Economic Stability

Montana's remote location from urban populations on America's east and west coasts requires efficient and cost-effective air and ground transportation to sustain tourism. Moreover, Montana's sparse population (902,000, or 6.2 people per square mile) makes transportation infrastructure extremely expensive and inefficient on a per capita basis. Transportation services support all of Montana's industries, from tourism to agriculture, high-tech to retail. Tourism helps transportation carriers/agencies generate revenues (tickets, gas taxes, airport fees, car rentals) that sustain service for Montanans. Transportation challenges include the following:

1. Seasonality of tourism in Montana decreases profitability and service of transportation carriers (airlines, car rental agencies, passenger rail, shuttle services, etc.).
2. Amtrak's future is uncertain; the Empire Builder route could be eliminated.
3. Impacts from increased tourism and recreation at specific sites will necessitate alternate transportation modes (shuttles, etc.).

Transportation solutions are neither easy nor inexpensive. Strategic decisions and actions by Montana's tourism industry can assist and complement the transportation needs of Montana's other industries, and benefit all Montanans.

D.5 Heritage and Cultural Assets are Important to Montanans and Visitors Alike

Montana's history and culture are rich and varied, from Indians to Virginia City, Lewis & Clark to the copper barons, cattle drives to plow shares, folk music to symphony, civic theater to off-broadway, traditional crafts to modern art. Preservation and enhancement of irreplaceable historical and cultural assets not only are important to Montanans, but they also are significant tourist draws. Heritage and cultural travel is the largest and fastest growing segment of the tourism industry worldwide. Tourists can help pay some of the costs to preserve Montana's treasures through entrance and tour fees, donations to historic trusts, participation at special events and awareness-building beyond Montana's borders. As state and federal budgets tighten, entrepreneurial approaches are increasingly important to preservation of historic and cultural assets. These treasures are attractive to tourists because they are unique to Montana, so inclusion of historic/cultural sites and events in packaged tours and heritage/cultural corridors will encourage greater awareness and support of them among tourists and Montanans alike. Corporate support can be garnered when historic and cultural groups partner with other organizations within the tourism industry.

D.6 Diversification of Tourism is Critical to Sustainability

Montana is changing. Tourism is changing. Customer tastes and preferences are changing. Change is inevitable. But it is possible to manage the degree of change, and the direction of change, based on the values and priorities of Montanans. To maximize the economic benefits of tourism while minimizing negative impacts, tourism must be diversified, and distributed throughout the year. Promotion of activities like fishing can be de-emphasized for nonresidents in order to minimize conflicts. Meanwhile, activities like heritage/cultural travel and meetings/conventions, which maximize existing assets without significant impacts on residents' favorite recreation spots, can be emphasized. Visitor activities can be managed through packaging of attractions, daily itineraries and suggested tour routes that avoid Montanans' favorite fishing holes or hunting camps. More money can be captured from pass-through travelers by providing enhanced visitor services, to maximize revenue and jobs from existing markets. The needs of emerging markets, such as "Weekend Getaway" travelers, "Extended Family" groups and "Geo-tourists" can be met with specific packages, products and services which complement, rather than compete with, the needs of Montanans.

D.7 Traveler Services are Key to Enhancing Quality Experiences

According to University of Montana research in 2000-2001, pass-through travelers represent nearly one-half of all travelers in spring, and about one-third of travelers in winter. Only 64% of these visitors were satisfied with the availability of travel information during their trip through Montana (verses 71% of summer travelers satisfied). Less than half of Winter travelers, and only 59% of Spring visitors, were satisfied with the availability of rest areas (verses 61% of Summer visitors). About 80% of visitors were satisfied with directional signage, with Winter visitors being slightly less satisfied. Many VICs are open only from Memorial Day to Labor Day, so visitors who travel in shoulder seasons often are left to fend for themselves. If a goal is to increase off-peak season travel, *visitor services must be enhanced to serve those tourists during off-peak times*. One way to accomplish this is to create partnerships for visitor services with public, private, nonprofit and tribal entities. Although staffed visitor centers are optimal, static visitor information displays and brochure racks or kiosks at rest areas and other high traffic locations are helpful. Staffing and volunteers can be shared between several partner organizations to lighten the load of any single organization.

Additionally, as tourist tastes and preference change, businesses need to adjust their products and services to meet the changing needs of their customers. Business support services

What is a Geo-tourist?

"Geotourism" is defined as tourism that sustains or enhances the geographical character of the place being visited - its environment, culture, aesthetics, heritage, and the well-being of its residents. 55 million Americans are now classified as sustainable, or *Geotourists*.



Bozeman Rest Area

Pass-through travelers represent nearly half of all travelers in spring, and nearly one-third of travelers in winter. Enhanced visitor services would better capture the pass-through tourist's time and dollars.

"Circle the wagons and shoot in."

When tourism and recreation entities focus on conflict, turfism and competition within the state, no one wins. Montana's competition is not from within – it is from other states and countries globally.

Montana is not an easy destination to "buy" – it must become more user-friendly to attract the most desirable customer markets.



Beartooth Highway

and technical assistance are critical to providing high quality visitor services and overall excellence in tourism to both resident and nonresident visitors.

D.8 Effective Tourism Requires Good Information, Cooperative Efforts

Good planning and decision-making require good information. The University of Montana has extensive statewide research about Montana's nonresident visitors. However, key details about resident and nonresident tourists, and regional differences between visitor trends and demographics (in specific areas, sites and seasons) are sketchy or nonexistent. Visitor counts at many key sites – some that may be experiencing increased impacts – are unreliable. The amount, consistency and accuracy of visitor information must be enhanced so that effective decisions can be made regarding tourism promotion, asset management and support services.

Additionally, Montana tourism industry partners need to be just that – partners. Montana's regions, cities, attractions and events are not competing with each other for nonresident visitors – they are competing with other states and even other countries globally. To put Montana on the map for targeted high-value visitor segments, they must work together. Conflict, competition and turfism only create an atmosphere of "circle the wagons and shoot in" – no one wins. As stated earlier, Montana spends about \$4 million on state promotions, versus states like Illinois that spend \$61 million. The only way that Montana can compete for targeted visitor markets is to leverage dollars between public, private, tribal and nonprofit organizations. The lack of cooperation and coordination sends mixed messages to potential customers – creating information clutter and confusion. Montana's niche and image for specific markets (conventions, destination skiing, cultural attractions, golf) is not clearly defined or promoted consistently by state and regional partners.

In a society where time is money, consumers will buy the products that are most user-friendly and understandable. Montana is not an easy destination to "buy" – there are few opportunities for "one call" service and packaged experiences. Cultural and heritage corridors, scenic byways, loop tours and theme trips all provide user-friendly vacation planning for potential customers. Montana's tourism and recreation partners must focus on developing and packaging their product effectively if they are to attract desired tourist customers – those that will complement the values and priorities of Montanans.

The next chapter delves further into the subject of potential tourist markets, their characteristics and needs, and identifies top priority markets for Montana that are consistent with the values, vision and goals identified in this Strategic Plan.

Summary of Existing Conditions

While Montana's population and tourism industry has grown over the past decade, its economic growth and diversification has lagged behind national averages and surrounding states. Montana is last among states in wages and income. The tourism industry can contribute significantly to Montana's economy and job base, but, as in other economic strategies, tourism must be diversified and developed strategically to attract high value, low impact visitors, and to create stable, year-round jobs with benefits. Problems with seasonality and regional differences must be addressed to the extent possible, with strategies to increase heritage and cultural tourism, meetings and conventions and specialty packages for targeted customer markets. Support services need to be enhanced, such as visitor information services and transportation. Negative impacts on residents' quality of life and Montana's natural resources need to be minimized by attracting sustainable, low-impact visitors – those looking for developed cultural experiences rather than primitive natural ones. Montana's small businesses need support through technical assistance and education, and statewide efforts must be supported by public policy and lodging tax funding to be effective. Finally, tourism industry partners must work together as a team to be competitive in a global tourism market.

The tourism industry can contribute significantly to Montana's economy and job base, but, as in other economic strategies, tourism must be diversified and developed strategically to attract high value, low impact visitors, and to create stable, year-round jobs with benefits.

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Success in tourism and recreation requires a *market-driven* approach: businesses and agencies must respond to the needs, priorities and trends of current and potential customers (tourists). In this context, "tourist markets" refer to both Montana residents and nonresidents who visit the state, either for leisure or business purposes. The objectives and actions identified in Chapter 5 of this Strategic Plan are designed to respond to the markets, so before discussing the strategic actions that are proposed, it is important to have a clear understanding of Montana's current and potential markets.

Summary of Key Findings about Montana's Current Travelers

The following are highlights of market research that is detailed in sections B and C. Section A (next page) provides context by summarizing national tourism trends.

- **More tourists are coming, but in summer, they're spending less.** Montana hosted 9.6 million nonresident visitors in 2001, and they spent \$1.7 billion. Nearly 60% visited in summer, and while summer visitor groups increased by 4% over 1996 levels, spending decreased by \$28.5 million (3%). The average traveler group size and length of stay both declined from summer 1996 to summer 2001.
- **The majority of visitors originate from nearby states/provinces, California and Minnesota.** The top nine states/provinces of origin in 2001 were WA, ND, CA, WY, ID, MN, ALB, CO, OR and UT.
- **Interest in historical/cultural attractions and passive outdoor activities increased from 1996.** Participation in active outdoor recreation and wildlife viewing declined. Participation in shopping and day hiking was strong in all seasons.
- **44% of all travelers were vacationing in Montana, while 28% were just passing through.** Another 16% were visiting friends/relatives and 10% were on business.
- **Most of Montana's tourists are repeat visitors (75-95%+).** This may be due in part to frequent pass-through travel from neighboring states, to visiting family (e.g., college students, snowbirds), and/or to nonresident vacation homeowners.
- **Montanans spent 73% of their travel dollars (\$707 million) out of state.** In 1999, Montanans took 9.2 million leisure trips, and spent \$962 million. 44% of trips were day trips in Montana, while 29% were in-state overnight trips, and 27% were overnight trips out of state. They spent \$707 million (73%) outside the state.

Chapter 3:

Markets

Summary of Key Findings

A. Potential Markets:

National Tourism Trends

B. Resident Visitor Trends

C. Non-Resident Visitor Trends

D. Montana's Competitive Niche

E. Top Priority Target Markets

While the number of nonresident summer traveler groups in Montana increased by 79,240 (4%) from 1996 to 2001, the actual number of people dropped about 21,000, and total spending decreased by \$28.5 million (3%). The visitors' travel group size and length of stay both declined.

On the other hand, the number of winter visitors increased 37% from 1998 to 2001, which was a recovery from a decline of 24% from 1993 to 1998. Therefore, the overall number of winter visitors grew 5% from 1993 to 2001.



C.M. Russell Museum



Crow Fair Parade

A. Potential Markets: National Tourism Trends

Nationally and internationally, the tourism industry has changed dramatically over the past decade. Customer demographics, tastes and preferences have changed, travel planning has changed, transportation has changed, and national and international competition has changed. Some of these trends present challenges for Montana, but more of them present opportunities. This section provides a brief overview of the following national and international tourism and recreation trends, and summarizes the implications for Montana tourism and recreation stakeholders:

1. The Time Crunch Affects Travel Planning
2. Women Make the Decisions
3. Mature Travelers Rule
4. Family Values are Back (Families are Blended & Multi-Generational)
5. History & Culture are the #1 Attraction
6. Festivals Attract One-Fifth of All Travelers, esp. Young Families
7. Rural Places are Appealing
8. Packaged Niche Products are a Key to Success
9. Business Travelers Deserve More Attention
10. Non-Business Meetings & Conventions are Big Business
11. Canadians are Returning
12. Europeans Spend Five Times More Time & Money
13. Adventure and Geo-Tourists are Large Markets
14. Sportsmen Numbers Remain Steady, More Women Join the Club
15. Tourists Shop 'Til They Drop

Volumes of insightful tourism research are available on each of these topics – much of it from the Tourism Industry Association of America (TIA). The following pages summarize only key highlights and trends. At the end of this section (pages 44-45) is a summary of challenges and opportunities for Montana, based on these national tourism trends. More information is available from the resources listed in Appendix C.

A.1 The Time Crunch Affects Travel Planning

Americans are taking shorter, more frequent trips, closer to home. Weekend trips by Americans jumped by more than 70% in the past decade and now account for more than half (54%) of all U.S. travel. Forty percent of weekend travelers report they are taking more day trips and/or weekend trips (38%) today than five years ago. Interest in longer trips lasting more than one week seems to be declining. Repeat visitation also is declining: three-quarters (77%) agree that the next vacation will be someplace they have never been before.

Americans are spending less time on trip planning, and becoming techno-savvy consumers. Half of U.S. adults are online (100+ million people), and 59 million people use the Internet to plan trips (half of whom are Baby Boomers, and 16% make \$100,000+ per year). Travelers' initial interest in a destination still is generated from friends and family, media, word-of-mouth or co-workers, but they use the web to find details, prices and updated information, and many book their trip/package online.

"Time-impooverished consumers are more self confident, feel in control, generally will not compromise, and rely on their own instincts, rather than experts," according to Peter Yesawich (see sidebar). "Once a destination is decided, the traveler seeks the best buy. Therefore, packaging becomes very important: convenience sells."

A.2 Women Make the Decisions

Women still do the family planning: they make three-quarters of all travel decisions. Their top concerns are safety, hygiene, "creature comforts", shopping and convenience – one-stop travel planning, such as cruises and all-inclusive packages. Destinations that may be "dangerous" (whitewater, remote, wild animals, etc.), are not "kid-friendly" (no programmed age-appropriate activities), or are difficult to "buy" (require time-consuming web searches, reading or phone calls) are not as attractive as more convenient locations. In 2001, 70% of women reported an interest in a destination that included air fare, accommodations, food, hotel transfers and recreation activities. Women are most interested in beautiful scenery (90%), theme parks, spa destinations and places they've never been before (82%); as well as the arts, architecture and historic sites (57%).

"Time is the New Currency"

- ♦ Americans are taking shorter, more frequent trips, closer to home.
- ♦ Weekend trips* by Americans jumped 70%+ in the past decade; now more than half (54%) of all U.S. travel.
- ♦ 40% of weekend travelers take more day trips and/or weekend trips (38%) today than 5 years ago.
- ♦ Interest in longer trips (1+ week) seems to be declining: 43% of weekend travelers take fewer long trips than 5 years ago.
- ♦ Repeat visitation is declining: 77% say next vacation will be someplace they have never been before.
- ♦ Americans spend less time on trip planning: 59 million people use the Internet (half are Baby Boomers)
- ♦ Once a destination decision is made, travelers seek the best buy.

* A "weekend trip" is defined by TIA as an overnight leisure trip of 1-5 nights, 50+ miles from home, including a Friday, Saturday or Sunday night stay.

Sources: Travel Industry Association of America; Peter C. Yesawich, Yesawich, Pepperdine & Brown.

Women make 75% of all travel decisions. Their top concerns when choosing and booking a destination are safety, hygiene, "creature comforts," shopping and convenience.

Americans over 50 are responsible for 80% of all leisure travel, and they control 75% of the nation's wealth.

Mature Travelers

- College educated
- \$75,000+ annual household income
- More tech savvy than 5 years ago
- Spend an average of \$431 per trip (vs. average spring traveler in Montana at \$292/trip, \$341 winter)
- Favorite trip activities:
 - Shopping (29%)
 - Historical places & museums (15%)
 - Cultural events & festivals (12%)
 - Gambling (11%)
 - Outdoor activities (11%)
 - Visiting parks (8%)
 - Going to the beach (7%)
 - Golf/tennis/skiing (3%)



Museum of the Rockies

Critical Factors in Family Destination Decisions:

Value for the money:	92%
Variety of things to do:	91%
Activities designed for kids:	87%

A.3 Mature Travelers Rule

The "Mature" travel market is divided into two segments: the "Junior Matures" (ages 50-64) and the "Senior Matures" (ages 65+). This over-50 age group is responsible for 80% of all leisure travel in the United States, and they control 75% of the nation's wealth. As more of the Baby Boomers enter this market segment, their influence will be enormous on travel products and services. For example, the Boomers will contribute to a 1-2% annual growth rate in the golf industry. Mature travelers tend to seek active - but not strenuous - activities, heritage/cultural experiences and soft adventure. Many bring their grandkids, and they expect quality amenities and excellent service. Mature travelers often travel in off-peak months (Sept.-Nov., Mar.-May), making them an attractive market for building shoulder seasons, if appropriate services are available.

A.4 Family Values are Back

Family travel has increased in the United States, as Americans attempt to return to core values in a changing society. People with children prefer to take them on family trips (87%). "Family" travelers often include three generations, or blended families, or nontraditional families, or several families traveling together. Virtually all family travelers feel that family vacations are important to maintaining their family's health, well-being and lifestyle (94%). Families seek age-appropriate, pre-packaged activities and itineraries that give them family time together, but also social time with peers. The most critical factors in the destination decision are "value for the money" (92%) and "variety of things to do" (91%), although among parents, "activities designed for children" (87%) are nearly as important.

A.5 History & Culture are the #1 Attraction

Heritage and cultural travel is the largest and fastest growing segment of the travel industry worldwide (65% of all U.S. travelers include heritage/cultural experiences on their vacations). Many travelers extend their trips specifically to participate in cultural or historic events and activities. This is linked to the burgeoning numbers of traveling Baby Boomers, who are more interested in their roots than their parents were. This segment is more educated and affluent than the average traveler. They recognize and support the intrinsic value of the arts, culture and history to society.

Heritage/cultural travelers seek vacations that are cerebral and enriching – they want to do more than sit on a beach or go sightseeing. They enjoy interactive learning experiences and a better understanding of the world around them, from western history to American Indian culture, symphony to folk music, theater to historic downtowns. They like to shop, dine and take guided or self-guided tours (they are big consumers of guidebooks). They expect authenticity, historical integrity, quality and amenities. The majority of Lewis & Clark Bicentennial visitors fit this profile.

A.6 Festivals Attract One-Fifth of All Travelers, esp. Young Families

One-fifth of U.S. adults (21%) attended a festival while on a trip away from home in the past year. Of those, one-third attended an arts or music festival, making it the most popular type of festival to attend while traveling. Twenty-two percent attended an ethnic, folk or heritage festival. This was followed by county or state fairs (20%), parades (19%), food festivals (12%) and religious festivals (11%). Thirty percent attended some other type of festival. Compared to the average of all U.S. travelers, festival travelers are likely to be younger (age 41), have children in their household (52%), have two or more wage earners (51%) with a household income of \$53,000.

A.7 Rural Places are Appealing

America's increased interest in family values, patriotism and nostalgia has focused attention on rural areas as tourist destinations: small towns, open spaces, country experiences, rural festivals. Sixty-two percent of all U.S. adults took a trip to a small town or village in the U.S. within the past three years. The majority (55%) of rural travelers took their spouse along, and 33% took their children. Most of these trips were for leisure purposes (86%) and, the most popular reason for traveling to a small town or rural area was to visit friends or relatives (44%). Baby Boomers find rural travel especially appealing, as they are more likely than younger or older travelers to visit small towns or villages for reasons other than visiting friends and relatives.

Heritage & Cultural Travelers Have Economic Benefits

- More educated & affluent than other travelers
- 32% extended their trip for cultural/historic events and activities
- 62% use hotels/motels/B&B's
- 44% go shopping during their trip
- Other activities: state/national/theme parks, outdoor activities, beaches
- 18% spend \$1,000+ when traveling (vs. 12% of all travelers)
- Average stay is 4.7 nights (vs. 3.4 nights for all U.S. travelers)



Montana Guest Ranch

"There is definitely a market for rural attractions. Small-town America appeals to many travelers because of its unique charm, in addition to the wide variety of activities and history. The quiet pace is an alternative to the hustle and bustle of larger cities."

- William S. Norman, President/CEO,
Travel Industry Assn. of America

Niche products work best when they showcase the destination's unique history or characteristics - or the business owners' particular talents or passions.

Who are the Business Travelers? (1998 Study - TIA)

- Professional males (60%), more females
- Average age is 42 - up from 40 in 1991 (more age 45-54, fewer age 25-34)
- Average income is \$76,100 - up from \$68,900 in 1996 (larger proportion of business travelers earning \$75,000+ and smaller proportion making <\$30,000)
- Health, Legal and Education sector business travelers increased steadily, from 19% in 1991 to 25% in 1998
- Professional/Managerial business travelers reached all-time high in 1994 (55% of all business travelers), but has decreased since then to 47%
- Average business traveler took 5.4 business trips in 1998, stayed 3.3 nights
- 38% of trips involve more than 1 person
- 21% combine business & vacation (esp. women & less frequent travelers)

Implications

- Business travelers are affluent, stay multiple nights, interested in extending stays for vacation
- Women seek amenities, safety
- Business travelers are potential targets for Montana's economic development and business recruitment efforts

A.8 Packaged Niche Products are the Key to Success

Americans are increasingly more discerning about their leisure travel choices: they want experiences tailored to their unique tastes and preferences. Specialty and theme experiences, "boutique" trips and unique packages appeal to various market segments, whether their interest is golf, bird watching, gourmet cooking, jazz music, Native arts, massage, cowboy poetry, antique cars, photography, "whodunit" mysteries or mining history. Events and packaged trips that target niche markets give travelers a "reason" to visit (e.g., theme trips targeting grandparents/grandkids, women's only, or featuring "guest experts" who teach watercolor painting, geology, wine tasting or Lewis & Clark history).

Niche products work best when they showcase a destination's unique history or characteristics - or a business owners' particular talents or passions. Authentic experiences attract travelers who take the most trips and spend the most money.

A.9 Business Travelers Deserve More Attention

In 1998, nearly one-in-five U.S. adults (44 million) took at least one business trip, and the average business traveler took 5.4 business trips. This was a 14% increase since 1994, and a 2% increase since 1996, according to TIA and OAG Worldwide research. Business travelers tend to be significantly more affluent than the average traveler. Their average stay was 3.3 nights, and most business travelers (84%) spent at least one night away from home on their most recent trip (nearly three-quarters stayed in a hotel or motel). About 38% of the business trips involved more than one business traveler. Nearly half of all business travelers (47%) were traveling to attend a meeting, trade show or convention on their last business trip. One-in-five business travelers (21%) combined business and vacation on their last business trip. Women and less frequent business travelers were more likely to combine business and vacation in one trip. Women business travelers seek safety (parking lot lighting, locks, security, social experiences other than bars) and amenities (ironing boards, hair dryers, etc.). Business travelers are big consumers of amenities: dining, room service, adult beverages, high-speed Internet access, pay-per-view movies, dry cleaning, hair salons, gift shop items (for spouse/kids left at home), spa services, taxis, rental cars, etc. They also are interested in shopping, arts, culture, history, sports, golf, fishing and hunting.

A.10 Non-Business Meetings & Conventions are Big Business

One in five Americans (20%) traveled for non-business conferences or organized events – for personal, social, civic or religious reasons – in the past five years, according to TIA. This translates to 40.8 million U.S. adults who traveled 100+ miles to attend such events. A non-business conference is defined as a conference, meeting or special event unrelated to job or occupation. In 1999 alone, 27 million U.S. adults (13% of U.S. adults) attended a non-business conference.

The most popular non-business conferences were organized religious conferences, with nearly one-third (30%) of U.S. adults traveling to one in the past five years. Self-improvement or educational conferences were about one-in-five non-business conferences (21%), followed by hobby-related conferences (20%). Other types were alumni, fraternity or sorority reunions (9%), political rallies or conventions (5%) and military reunions (3%). Non-business conference travelers spent an average of \$529 on their most recent non-business conference trip, including transportation, accommodations and meals (the average nonresident traveler in Montana spent \$292 per trip in spring, \$460 in summer). About 10% of these travelers spent more than \$1,000 on their most recent non-business conference trip, while about one-third (37%) spent less than \$250. More than two-thirds (70%) stayed in a hotel/motel/B&B.

Non-business conference visitors tend to be less demanding about facilities and amenities than do business/corporate conference visitors: they tolerate a lack of “under one roof” hotel/convention centers, state-of-the-art audio/visual technology, business center amenities and air service connections. Additionally, they often bring family members, or return to conference destinations later for a family vacation. Destinations and meeting planners who provide various activities for family members, and include a variety of venues in conference events, are more likely to draw additional participants.

A.11 Canadians are Returning

Canadian visitation to the U.S. rose 9% from 1998 to 2000, after several years of decline because of unfavorable exchange rates. A 2001 survey conducted by Expedia Canada Corp./Ipsos-Reid indicated that 81% of Canadians consider pleasure trips a very important part of their overall quality of life, and that 89% planned to take a vacation in 2002. Fifty-nine percent of Canadians were either planning to (or seriously considering)

Non-Business Meetings & Conventions

- 20% of Americans participated in a non-business conference/event in past 5 yrs
- 30% were religious conferences
- 21% were self-improvement/education
- 20% were hobby-related
- 9% alumni/fraternity/sorority reunions
- 5% were political rallies/conventions
- 3% were military reunions
- Average spending: \$529/person/trip (vs. 2001 MT travelers spent \$292-\$460/trip)
- 70% stayed in hotel/motel/B&B
- Conferees often bring family, extend stay or return for vacation

Implications

- Montana is an attractive destination for non-business conferences
- Higher participation and extended stays result from planned/guided/supervised activities for spouses and kids
- Historic/cultural attractions make creative convention venues (museum, art gallery, theater, mansion, barn or park)
- Future return visitation for vacations results from incentives (packages, etc.)

Caution!

Nationally, the amount of convention space will jump 25% by 2007, as 96 new or expanded convention centers open a combined 16.8 million sq. ft. of new exhibit space costing about \$12 billion. Meanwhile, growth in business convention/trade show attendance has slowed. (Tradeshaw Week)



Hiking near Dupuyer

Hard & Soft Adventure Travelers

- Adventure travel is most popular with Gen Xers, Baby Boomers, men and westerners
- Most popular hard adventure trips: whitewater rafting, kayaking, snorkeling, scuba diving, off-road/mountain biking
- Most popular soft adventure trips: camping, hiking, biking
- Typical hard adventure traveler is 35 years old, college educated, employed full time
- Soft adventure traveler more likely to bring spouse, kids
- Hard adventurers spend more than soft adventurers (\$465 vs. \$325)

travel in the U.S., and 61% were either planning to (or seriously considering) travel elsewhere internationally.

When planning a vacation, 80% of Canadians prefer to research their own travel plans. Canadians like packages and “deals”: 81% prefer pay-one-price vacations that have choice and flexibility in them, compared to 14% who prefer set packages. Of those surveyed, 87% indicated they were likely to use the Internet to research vacations, and 54% indicated that they were likely to book and purchase vacations on the Internet.

A.12 Europeans Spend Five Times More Time & Money

European tourists spend five times more time and money visiting the U.S. than domestic tourists. The average domestic traveler spends \$331 per trip, and the average international traveler spends \$1,530 per trip. Europeans have, on average, five weeks of government-mandated vacation time, plus up to sixteen annual public holidays. These tourists are more likely to visit during off-peak seasons than domestic travelers. Many European visitors also are more willing to visit “off-the-beaten-path” rural attractions or destinations than domestic visitors. The “detriments” of rural destinations like Montana (lack of population, access) often are viewed as benefits to Europeans seeking green and open destinations. International tourists also enhance the visitor experience for domestic travelers and create additional perceived value, according to TIA.

A.13 Adventure and Geo-Tourists are Large Markets

In 1997, half of Americans (98 million adults) had taken an adventure vacation in the past five years. Of those, 92 million adults took soft adventure vacations (skiing, sailing, horseback riding), while 31 million Americans took hard adventure vacations (mountain climbing, skydiving, cave exploring). Twenty-five million took both.

Adventure travel is most popular with Generation Xers, Baby Boomers, men and people who live in the West. The most popular hard adventure activities are whitewater rafting/kayaking, snorkeling/scuba diving and off-road biking/mountain biking. The most popular soft adventure activities are camping, hiking and biking. Hard adventure travelers are more likely to be young, single and have higher household incomes: the typical hard adventure traveler is 35 years old, with some college education and is employed full time. A significantly larger share of soft adventure travelers took spouses

(60% vs. 42%) and children/grandchildren (41% vs. 18%) on their most recent adventure vacation than did hard adventure travelers. Destination skiers and snowmobilers tend to have higher levels of education and affluence than other travelers, and seek high quality experiences.

Geotourism is defined as "tourism that sustains or enhances the geographical character of the place being visited – its environment, culture, aesthetics, heritage, and the well-being of its residents," according to a study by National Geographic and TIA. "Geotourism is environmentally and culturally responsible and it seeks to preserve the distinctive attributes that make each destination a special place to visit." Fifty-five million Americans are officially classified as "geo-tourists," with another 100 million Americans moving in that direction, according to TIA.

A.14 Sportsmen Numbers Remain Steady, More Women Join the Club

"Outdoor sportsmen" include both men and women. While men are nearly two-thirds (61%) of them, women are catching up. Sportsmen like to travel into the countryside, remote locales and wilderness in order to enjoy outdoor activities, especially hunting and fishing. After several years of decline, the number of hunting licenses sold nationally increased by 250,000+ from 1998 to 1999, due in part to outreach and hunter recruitment efforts by state wildlife agencies. Thirty states reported increases, and those reporting the largest increases were Arkansas, Washington, South Carolina, Wisconsin, Idaho, and South Dakota (Montana's license sales declined).

Nationally, the total number of fishing licenses, tags, permits and stamps sold in all states declined by 2% from 1990 to 2000. However, the number of resident fishing licenses/tags/permits/stamps sold in all states declined by 1%, while the number of nonresident fishing licenses/tags/permits/stamps sold in all states rose by 14% (nonresident sales are 18% of all sales). These figures indicate that an increasing number of fishermen and women are traveling out of their home states to fish.



Whitewater Rafting in Western Montana

55 million Americans are "Geotourists"

Geotourism is defined as "tourism that sustains or enhances the geographical character of the place being visited – its environment, culture, aesthetics, heritage, and the well-being of its residents."

Geotourism is environmentally and culturally responsible and it seeks to preserve the distinctive attributes that make each destination a special place to visit."

- Study by National Geographic and TIA



63% of tourists shop while traveling.

Sidebar 3.1:

National Retail Trends: People Coming Back to Downtowns

- Downtown use is growing (from 3.4 to 4.4 trips per month)
- Generation Y & Empty Nesters prefer Downtowns
- Heritage and cultural travelers prefer Downtowns (historic buildings, historic walking tours, etc.)
- 73% of travelers who shop prefer to visit stores they do not have in their home city
- 62% of shopping travelers shop at enclosed malls, 53% at downtown districts, 48% at strip malls/plazas and 38% at outlet centers
- In 2001, 56% of Main Street/Downtown districts increased sales; 61% had new businesses, 78% increased events, and 27% increased housing units - Downtown is making a comeback as the "heart" of the community
- 50% of all retail purchases in the U.S. are made after 5:00 p.m. and on weekends.
- Percentage of profits retained in the community by types of retail businesses:
 - Superstore discounters: \$.06 on the dollar
 - Chain stores: \$.20 on the dollar
 - Independent, "mom & pop" businesses: \$.60 on the dollar

Sources: National Main Street Center, TIA,
Urban Land Institute

A.15 Tourists Shop 'Til They Drop

Shopping is the number one activity of leisure travelers while on vacation: 63% of tourists shop while traveling. In fact, half of travelers say that shopping was the primary or secondary purpose of one or more trips taken in the past year. One in five spent \$500 or more on purchases during their trip. They are likely to be Baby Boomers (42%) and have higher-than-average household incomes, although one-third (35%) are Gen X or Yers (age 18-34), and 23% are Matures (age 55+).

Most travelers who shop (73%) prefer to visit stores they do not have in their home city or town. The most popular place to shop on trips is traditional enclosed shopping centers or malls (62%). But major downtown shopping districts or outdoor "Main Street" shopping areas are a close second (53%). Slightly less than half (48%) shop at strip malls or plazas that are not enclosed, and 38% shop at outlet centers. The majority of shoppers want to find items that represent the destination they are visiting; however, travelers most often spend money on clothes or shoes for themselves or others (77%), rather than on souvenirs. For information about shopping, travelers most often turn to people they know, and to hotels where they are staying.

Challenges & Opportunities for Montana Based on National Tourism Trends

Challenges

- Access: Montana is far removed from major metropolitan areas (1,000+ miles from California), so when time for leisure travel is a factor, Montana has a disadvantage.
- New markets: Montana has a high rate of repeat visitation, but many travelers are looking for destinations where they have never been. Montana needs strategic, highly targeted promotions to reach new and desirable customer markets.
- Packaging: Montana is difficult to "buy": its independent businesses and remote attractions typically have not worked together to create and market "one call, all-inclusive" packages. Specialty/niche products are available, but not highly visible.
- Image among women: For urban women who plan the family trips, Montana may be perceived as too "rugged," "dangerous" or "remote."
- Services for Matures: Many Montana facilities/attractions are not designed for mature travelers, who have special needs for accessibility, safety, transportation, vision (large print menus, signs, etc.), hearing (phones, etc.) and health services.

- Kid-friendly: Montana has few “kid-friendly” facilities/attractions offering pre-packaged, age-appropriate activities that are convenient for the whole family.
- Heritage & Culture: Montana’s historic and cultural treasures are not well known.
- Business travel: Business travelers are a small percentage of Montana’s travelers.
- Meetings & Conventions: Montana’s *niche* in the convention marketplace is not well established.
- Adventure/sportsmen markets: Montana is an ideal destination for adventure travelers and sportsmen; however, these travelers have a big impact on Montana residents and their favorite recreational activities and places.
- Shopping: Montana’s variety of shopping is not well publicized; stores in rural areas have limited hours, particularly evenings and weekends.

Opportunities

- Weekend getaways: Nearby metropolitan markets are good targets for packages.
- New customers: Montana’s outstanding variety of assets offers exciting options.
- Use of Internet: Montana is an industry leader in innovative Internet marketing.
- Packaging: The tremendous variety of activities/assets offers endless possibilities.
- Women: Montana’s “softer side” includes desirable scenery, arts/culture, spas, etc.
- Matures: Spring and fall are ideal travel times for matures, if services are provided.
- Families: Opportunities exist for family camps, packages and organized activities.
- Business travelers: There is potential to extend stays, sell add-on’s and attractions.
- Heritage/culture: Montana’s treasures are a best-kept secret waiting to be revealed.
- Rural places & festivals: Unique communities and activities abound at every turn.
- Themes: Montana’s rich history/geography provides fodder for myriad theme trips.
- Non-business conferences: Montana is an attractive destination for these events.
- Canadians: Montana’s northern neighbors travel frequently, love packages/deals.
- Adventure/sportsmen: Guided trips control impacts of adventurers/sportsmen.
- Shopping: Montana has many unique, independent businesses, quality products.

The next two sections summarize research about Montana’s current resident and nonresident travelers and trends. The last two sections of this chapter identify Montana’s niche in the marketplace and top priority target markets, based on state/national trends, Montana’s assets and opportunities, and its tourism vision and goals as stated in Chapter 4.



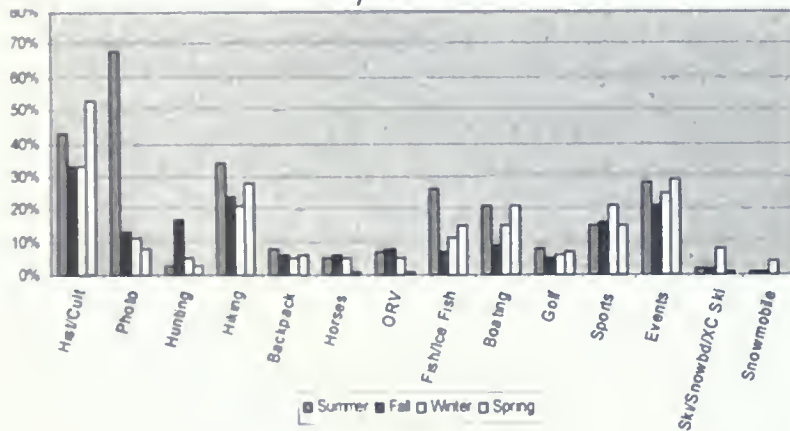
Fort Peck Theatre

Leisure Travel of Montanans

- 25% take 4+ trips/month
- 30% take 2-3 trips/month
- 19% take 1 trip/month
- Peak months are July-Sept.
- 44% of trips are 1-day in MT
- 29% are overnights in MT
- 27% are overnights out of MT

Montanans spent \$707 million on leisure trips outside the state in 1999, and \$255 million on leisure trips within the state. Encouraging Montanans to travel within their own state keeps more "Montana money" at home.

Figure 3.1: Montanans' Activity on Most Recent Leisure Trip by Season



B. Resident Visitors: Travel Habits of Montanans

Three-quarters of Montanans take one or more leisure trips annually – a higher percentage than the national average.¹ One-in-four Montanans takes four or more leisure trips per month, nearly one-third (30%) take 2-3 trips per month, and about one-in-five take one trip per month, for a total of about 9.2 million leisure trips annually. Nearly one-third (30%) of Montanans travel annually for business reasons, and sixteen percent travel for "other" reasons, such as funerals, medical, relocation, etc.

Leisure Travel

The largest share (44%) of Montanans' leisure trips are in-state day trips, 29% are in-state overnight trips, and about one-in-four trips (27%) are taken out of Montana. In 1999, Montanans spent about \$962 million on leisure travel (9.5% of their annual income), and of that, \$255 million (27%) was spent in-state. So while out-of-state trips represent only 27% of Montanans' leisure travel, those trips represent 73% of their leisure travel spending – over \$707 million spent elsewhere. If more Montanans vacationed within the state, those dollars would not be exported to other destinations. Resident travelers may not bring "new money" to the state, but they keep more "Montana money" at home.

Of the 6.7 million leisure trips that Montanans took *in Montana*, about 60% were day trips, and about 40% were overnights. Children participated in about one-third of all leisure trips. The most popular activities year-round were: visiting historic/cultural sites and interpretive centers, day hiking, attending special events/festivals or sports events, nature photography, boating and fishing. Other popular seasonal activities were golf, backpacking, off-road vehicles (ORV)/4-wheeling and horseback riding in summer; hunting, 4-wheeling, backpacking and horseback riding in fall; and skiing, snowboarding, snowmobiling and ice fishing in winter (Figure 3.1).

DAY TRIPS: During their 4.1 million day trips, Montanans spent an average of about \$20 per trip, for a total of \$81 million (primarily on gas and restaurant/beverage). The top six reasons (in order) for the day

¹ 1999 Resident Traveler Study, University of Montana

trips were: visiting friends and relatives (VFR), rest and relaxation (R&R), shopping, sightseeing, entertainment and recreation (Table 3.1). Those who traveled for shopping spent the most money (\$185/trip), followed by those who traveled for class reunions (\$90), R&R (\$30), recreation (\$28), sightseeing (\$25) and entertainment (\$17). Average daily expenditures for other activities were \$15 or less. The top ten activities in which Montanans participated while on day trips were: visiting historic/cultural sites/interpretive centers, day hiking, nature photography, attending a special event/festival, fishing, attending or participating in a sporting event, boating/water sports, hunting, backpacking and 4-wheeling (Figure 3.2). The majority of the day trips took place in summer (61%), but nearly one-quarter (23%) were in fall (probably due to hunting), 14% were in winter and 3% in spring.

OVERNIGHT TRIPS: During their 2.7 million overnight trips in Montana, residents spent an average of 2-3 nights away from home. Their expenditures were about \$65 per trip, for a total of \$174 million, primarily on gas, restaurant/beverage, groceries and lodging (although 60% of groups spent no money on lodging because they stayed with friends/relatives or in an RV or tent). The top five reasons (in order) for overnight trips were: VFR, R&R, recreation, entertainment and sightseeing (Table 3.1). Similar to day trips, those who traveled for shopping spent the most money (\$383/trip), followed by combined reasons (\$199), class reunions (\$152), entertainment (\$147), sightseeing (\$146), "other" reasons (\$113) and recreation (\$110). Average trip expenditures for other overnight trips were less than \$100.

The top ten activities in which Montanans participated during their overnight trip were: day hiking, visiting historic/cultural sites or interpretive centers, nature photography, fishing, sporting events, boating/water sports, special event/festival, 4-wheeling, backpacking and hunting (Figure 3.2). Nearly two-thirds (64%) of overnight trips took place in summer, while 21% were in fall, 11% in winter and 4% in spring. One-third of the overnight stays were spent in hotels, bed & breakfast inns or resorts, while 29% were spent in the home of a friend/relative and 29% in an RV or tent (Figure 3.3 next page). The study report did not provide further details about the demographic characteristics of participants in various trip activities (e.g., which traveler types stayed in hotels, which took longer trips, etc.).

Table 3.1: Reasons for Montanans' Leisure Travel (in Rank Order)

<u>Day Trips in MT</u>	<u>Overnight Trips in MT</u>
VFR	VFR
R&R	R&R
Shopping	Recreation
Sightseeing	Entertainment
Entertainment	Sightseeing
Recreation	Combination
Combination	Family Event
Family Event	Avoiding Winter
Special Event	Shopping
Avoiding Winter	Special Event
Other	Other
Class Reunion	Class Reunion

Figure 3.2: Leisure Trip Activities of Montanans by Trip Type (% of Groups Participating)

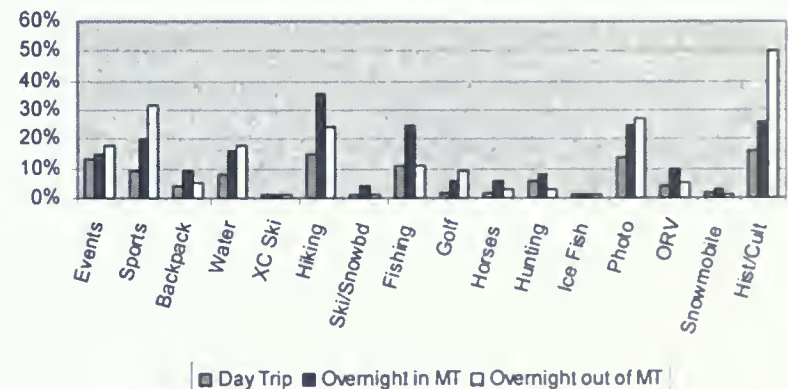
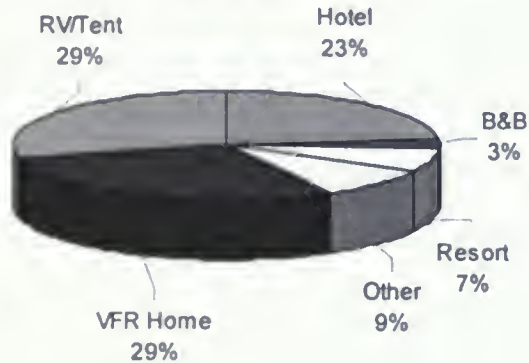


**Figure 3.3: Accommodations Used for Montanans' Overnight Trips in Montana
(% of Nights Spent in Each)**



To serve Montanans, tourism and recreation providers need to accommodate older - and larger numbers of - visitors, maintain affordability of recreation, and preserve access to recreation assets (a tall order in a world of limited budgets).

Resident and nonresident visitation trends at Montana attractions could not be compared because data about the ratio of residents vs. nonresident visitors was not available.

Business Travel

Nearly one-third of Montanans travel for business annually: 9% took three or more business trips per month, 6% took two business trips per month and 14% took one business trip per month. The peak month for business travel was September, followed by December, August and February, and then January and October. Further details about business travel were not part of the 1999 Resident Traveler study.

Other Travel

About sixteen percent of Montana households participated in "other" types of travel annually (funerals, medical, relocation, etc.): 5% took four or more trips per month, 6% took 2-3 trips per month, and 6% took one trip per month. The peak months for this type of travel were November, February, August and September. Further details about "other" travel were not part of the 1999 Resident Traveler study.

Implications

The population of Montana is growing, and growing older: Baby Boomers and retirees make up 38% of Montana's population. Low wages require many Montanans to hold multiple jobs, cutting into their leisure time and expenditures. Activities with the highest potential for capturing more in-state leisure travel spending from Montanans appear to be in the categories of historical/cultural travel, special events/ festivals, enhanced or packaged outdoor recreation for couples and families, and possibly additional activities during family-related and business trips.

Public input obtained by the planning team indicated that affordable access to outdoor recreation assets is a top priority among Montanans for hiking, fishing, hunting, boating and 4-wheeling.

C. Nonresident Visitors: Current Traveler Profile

Montana is fortunate to possess a great deal of research about nonresident travelers to the state. The University of Montana (UM) in Missoula has an Institute for Tourism and Recreation Research (ITRR) which coordinates and disseminates the results of its annual research. Additionally, ITRR has collaborated with the UM Bureau of Business and Economic Research (BBER), also in Missoula, on previous statewide studies. This section provides an overview of key research findings and trends from several sources, as reviewed and analyzed by the planning team. It is not intended to be a comprehensive analysis, due to the overwhelming volume of data available and the limits of time and space in this document. Instead, it provides key information that pertains to the objectives and actions proposed in this Strategic Plan, and to on-the-ground issues for tourism and recreation stakeholders across the state. A complete list of research references for further information is included in Appendix C. ITRR research publications can be accessed on the web at www.forestry.umt.edu/itr.

C.1 The Origin of Montana's Nonresident Visitors Has Changed Slightly

In 2001, approximately 9.6 million nonresident tourists visited Montana, and spent \$1.7 billion in the state. About 5.7 million nonresident travelers came in the summer (June-September), about 1.9 million came in winter (December-March), about 1.1 million came in spring (April-May) and 995,502 came in fall (October-November). Those visitors came primarily from the following nine states and one province (listed in order): Washington, North Dakota, Wyoming, Idaho, California, Alberta (Canada), Minnesota, Colorado, Oregon and Utah (Table 3.2).

These nine states are the same ones that appeared at the top of the list in the 1996 ITRR study of summer nonresident travelers in Montana, and in the 1995-96 American Travel Survey, which reported on U.S. travelers from other states who visited Montana as their primary destination. The order of the nine states changed slightly in each study: in the ATS study, Wyoming was the top state of origin, but pass-through travelers were not included in the data; the ITRR study included only summer travelers, and reported that it likely undercounted day-trip travelers from Wyoming.

Table 3.2: Origin of 2001 Nonresident Visitors

Place of Residence	Winter Dec-Mar	Spring Apr-May	Summer Jun-Sept	Fall Oct-Nov
Total # of Grps	801,562	579,300	2,267,140	432,827
Alberta, CAN	7%	5%	4%	7%
Arizona	2%	<1%	3%	0%
British Columbia	2%	2%	2%	0%
California	3%	5%	10%	6%
Colorado	6%	2%	4%	3%
Florida	<1%	<1%	3%	0%
Idaho	3%	10%	6%	10%
Michigan	<1%	4%	2%	2%
Minnesota	5%	5%	5%	5%
New York	<1%	4%	2%	0%
North Dakota	22%	9%	4%	8%
Oregon	3%	4%	4%	4%
Saskatchewan	3%	<1%	1%	0%
South Dakota	3%	2%	1%	0%
Texas	3%	2%	3%	3%
Utah	<1%	2%	4%	5%
Washington	8%	12%	12%	14%
Wisconsin	<1%	8%	2%	0%
Wyoming	17%	7%	4%	7%
Other Western	<1%	4%	5%	2%
Other MW/East	2+%	2+%	18+%	2%
Overseas	<1%	<1%	3%	0%

Source: ITRR Nonresident Visitor Study Reports
2001-7, 2002-2, 2002-5, 2002-8.

Table 3.3:
Top 10 States of Origin of Montana
Nonresident Visitors in 2001

<u>State/Province</u>	<u># Travel Groups</u>
Washington	466,000
North Dakota	354,000
California	306,000
Wyoming	297,000
Idaho	261,000
Alberta, CAN	206,000
Minnesota	204,000
Colorado	163,000
Oregon	155,000
Utah	124,000
<u>Other Places of Origin</u>	
All other states in Table 3.2	ea. 58-108,000
Other Midwestern & Eastern states	490,000
Overseas (down from previous yrs)	68,000

However, the most significant changes in geographic origins of nonresident visitors to Montana are seasonal. Winter visitation from Washington declined nearly 50% in the last decade; while visitation from North Dakota and Wyoming increased from 10% of all travelers in 1993 to 39% in 2001. A new trend in spring was the emergence of Wisconsin visitors in relatively large numbers. Another change in 2001 was the emergence of Alberta in the top ten list (ranked sixth), representing 7% each of fall and winter, 5% of spring, and 4% of summer visitors (Table 3.3). After several years of declining visitation from Canada due to exchange rates, Montana's neighbors to the north appear to be coming back (this is consistent with national trends). The overall level of visitors from WA, CA and ID remained constant.

As Table 3.2 on the previous page shows, visitors from the nearby states and provinces (ND, SD, WY, CO, UT, ID, OR, WA, British Columbia, Alberta and Saskatchewan) make up nearly three-quarters (74%) of winter visitors, 55% of spring visitors, 46% of summer visitors, and 44% of fall visitors. Other western states make up about 9% of winter visitors, 12% of spring visitors, 1% of fall visitors, and 21% of summer visitors (especially California, Arizona and Texas). Midwestern and eastern states, and overseas visitors, make up 11% of winter visitors, 24% of spring visitors, 1% of fall visitors, and about one-third (32%) of summer visitors. Since visitor origins are reported by state of origin, and not by zip code, it could not be determined whether some major cross-state metropolitan areas may be key sources of visitors (such as the New York City metro area, encompassing NY, NJ, PA & CT).

Canadians represent about 12% of Montana's winter visitors, 7% of spring visitors, 8% of summer visitors and 9% of fall visitors. In summer, the percentage of Canadians increased from 7% of all travelers in 1996 to 8% in 2001. In real numbers, that is about 153,000 Canadian travel groups in 1996, and 181,000 in 2001. Meanwhile, the percentage of overseas travelers in summer declined from 1996 levels, from 5% of all travelers to 3% (109,000 overseas travel groups in summer 1996, and 68,000 in 2001). According to the Travel Industry Association (TIA), exchange rates (the strong U.S. dollar) have negatively impacted international travel to the U.S. during this 1996-2001 time period.

Travelers from Top Four States are Very Different

Sidebar 3.2 summarizes results of the 1995 American Travel Survey, which detailed characteristics of destination travelers to Montana from four key states.

Sidebar 3.2: Destination Travelers to Montana from 4 Key States (1995 ATS Survey Results)

Travelers from Washington 402,000 person-trips to Montana - Half VFR, 24% Vacation, 12% Biz 56% from Seattle metro area; 31% from Spokane area (estim.) - Income:<table><tr><td><\$40k</td><td>\$40-\$60k</td><td>\$60k+</td></tr><tr><td>37%</td><td>25%</td><td>39%</td></tr></table> - Average age 30<table><tr><td><30</td><td>30-49</td><td>50-64</td><td>65+</td></tr><tr><td>44%</td><td>39%</td><td>12%</td><td>5%</td></tr></table> - Group size 2.2: 53% adults only, 42% with kids 35% high school education, 40% some college, 26% bachelors+ - Half came in Jul-Sep, 25% in Apr-Jun, 21% Oct-Dec, 9% Jan-Mar - Average length of stay: 5.1 nights<table><tr><td>0 nts</td><td>1-3 nts</td><td>4-7 nts</td><td>8+ nts</td></tr><tr><td>13%</td><td>34%</td><td>39%</td><td>14%</td></tr></table> - More than half (57%) stay in VFR home (5.2 nts), only 20% stay in hotel (3.7 nts), 22% other 10% flew to Montana - Other state destinations (MT was 5th): OR (37%), CA (16%), ID (8%), NV (7%), MT (4%) Key Findings: WA Travelers - Many were college students - Young (80% under 50) 60% make less than \$60,000 - VFR most common trip purpose - Many skiers in Seattle area – promo of direct flights may draw more	<\$40k	\$40-\$60k	\$60k+	37%	25%	39%	<30	30-49	50-64	65+	44%	39%	12%	5%	0 nts	1-3 nts	4-7 nts	8+ nts	13%	34%	39%	14%	Travelers from California 533,000 person-trips to Montana - Nearly all leisure travelers (96%) 2% Business, 2% VFR, none w/ kids - Income:<table><tr><td><\$40k</td><td>\$40-\$60k</td><td>\$60k+</td></tr><tr><td>20%</td><td>21%</td><td>61%</td></tr></table> - Average age 46<table><tr><td><30</td><td>30-49</td><td>50-64</td><td>65+</td></tr><tr><td>20%</td><td>69%</td><td>0%</td><td>12%</td></tr></table> - Group size: 1.9 people 39% high school education, 12% some college, 49% bachelors+ 38% came Jul-Sep, 30% Apr-Jun, 27% Jan-Mar, 6% Oct-Dec - Average length of stay: n/a<table><tr><td>0 nts</td><td>1-3 nts</td><td>4-7 nts</td><td>8+ nts</td></tr><tr><td>0%</td><td>23%</td><td>55%</td><td>23%</td></tr></table> 73% stay in hotel/resort (4.2 nts), 25% other, 2% VFR 56% flew to Montana - Other state destinations (MT was 14th): NV (40%), AZ (10%), HI (4%), NY (4%), CO (4%), MT (1%) Key Findings: CA Travelers - Nearly all leisure travelers, no kids 3/4 stay 4+ nights; more than half fly - Middle age, well educated, affluent - More than 1/4 came in winter (ski?) - Most stay in hotels/resorts – longer stays in commercial lodging - Vacation most common trip purpose - Packages, direct flights may attract more (note heavy travel to NV)	<\$40k	\$40-\$60k	\$60k+	20%	21%	61%	<30	30-49	50-64	65+	20%	69%	0%	12%	0 nts	1-3 nts	4-7 nts	8+ nts	0%	23%	55%	23%	Travelers from Idaho 297,000 person-trips to Montana - Most traveled to western Montana 41% Vacation, 26% Biz, 21% VFR - Income:<table><tr><td><\$40k</td><td>\$40-\$60k</td><td>\$60k+</td></tr><tr><td>39%</td><td>35%</td><td>27%</td></tr></table> - Average age 39<table><tr><td><30</td><td>30-49</td><td>50-64</td><td>65+</td></tr><tr><td>32%</td><td>55%</td><td>10%</td><td>3%</td></tr></table> - Group size: 2.2 people, 68% adults only, 29% w/ kids 36% high school education, 30% some college, 34% bachelors+ - One-third came Jul-Sep, one-third Apr-Jun (2/3 come Apr-Sep), 20% Jan-Mar, 12% Oct-Dec - Average length of stay: 3.2 nights<table><tr><td>0 nts</td><td>1-3 nts</td><td>4-7 nts</td><td>8+ nts</td></tr><tr><td>27%</td><td>42%</td><td>25%</td><td>5%</td></tr></table> 41% stay in VFR home (3.8 nts), 31% in hotel/resort (2.1 nts), 27% other (RV, camping, etc.) - Other state destinations (MT was 5th): UT (27%), WA (20%), OR (12%), CA (9%), MT (8%) Key Findings: ID Travelers - Many are business travelers (short stays, mid-upper income); fewer in Jul-Sep; 27% day-trippers - Older than Washingtonians - Could attract more weekend getaways from short distance	<\$40k	\$40-\$60k	\$60k+	39%	35%	27%	<30	30-49	50-64	65+	32%	55%	10%	3%	0 nts	1-3 nts	4-7 nts	8+ nts	27%	42%	25%	5%	Travelers from Wyoming 657,000 person-trips to Montana - Majority day-trippers (58%) - Half Vacationers, 20% “Other”, 19% Biz, 14% VFR - Trips spread throughout year (29% Oct-Dec: Xmas shopping in Billings) - Income:<table><tr><td><\$40k</td><td>\$40-\$60k</td><td>\$60k+</td></tr><tr><td>56%</td><td>34%</td><td>10%</td></tr></table> - Average age 40<table><tr><td><30</td><td>30-49</td><td>50-64</td><td>65+</td></tr><tr><td>28%</td><td>41%</td><td>18%</td><td>13%</td></tr></table> - Group size: 2.2 people, 71% adults only, 28% w/kids 46% high school education, 24% some college, 33% bachelors+ - Average length of stay: 2.3 nights<table><tr><td>0 nts</td><td>1-3 nts</td><td>4-7 nts</td><td>8+ nts</td></tr><tr><td>58%</td><td>34%</td><td>7%</td><td>1%</td></tr></table> - Half stay in VFR home (2.4 nts), 40% in hotel/resort (1.8 nts), 9% other (RV, camping, etc.) - Other state destinations (MT was 2nd): CO (29%), MT (28%), SD (9%), UT (9%), NE (4%) Key Findings: WY Travelers - Many came in Oct-Dec (Xmas shopping in Billings, day trips) - Least affluent of 4 states, 1/3 over 50 - Most Wyomingites stay close to home (travel to adjacent states) - Packages and “last minute” deals may increase stays/spending	<\$40k	\$40-\$60k	\$60k+	56%	34%	10%	<30	30-49	50-64	65+	28%	41%	18%	13%	0 nts	1-3 nts	4-7 nts	8+ nts	58%	34%	7%	1%
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Sidebar 3.3:

Winter Trends: 2001 vs. 1993/1998

- More business, vacation & pass-thru travelers in 2001 than in 1998
- 16% are VFR in 2001 (vs. 30-36% in 1993/98)
- 95% repeat visitors in 2001
- Spending: 1993: \$313/trip, 1998: \$228/trip, 2001: \$341/trip
- More couples, slightly more family groups (mostly pass-through) in 2001
- Increasing visitors from ND, WY, CO, ALB, MN
- Decreasing visitors from WA, ID
- Fewer visitors "attracted by" open space/uncrowded, mountains/forests, rivers/lakes, plains, wildlife, National Parks in 2001
- Increasing: shopping, visits to history/L&C sites, Glacier NP
- Same level: hiking, fishing, events
- Decreasing: wildlife viewing, gaming, visiting museums, skiing, snowmobiling (winter 2001 was a bad snow year)
- More use of Internet, businesses to plan trips
- Less use of auto clubs, 800#s, guidebooks & travel agencies to plan trips

Implications:

- More visitors from nearby states, fewer from further away - shorter trips
- Outdoor attractions less of a factor; more interest in history/culture
- Less spending on activities

C.2 Seasonal Analysis Shows Mixed Trends, Key Declines in Spending

The ITRR 2000-2001 nonresident traveler studies collected seasonal information about the purposes of visitors' trips: vacation, visiting friends/relatives, business or just passing through. They also collected information about travel party size and composition, household income, travel modes, activities, sites visited, expenditures, satisfaction levels and trip planning methods. The sections below summarize the survey findings related to visitor characteristics by season.

Winter

There were 801,562 nonresident travel groups during the 2000-2001 winter (Dec-Mar, Table 3.2), and they spent nearly \$337 million in Montana, or an average of \$341 per trip. The number of visitor groups increased 31% from 1998 to 2001, and total expenditures increased by 40% (daily spending increased by \$15, or 16%), which was a significant recovery after a 24% decline from 1993-1998. But in 2001, spending on entrance fees, outfitter/guide and miscellaneous services declined 39%, indicating less activity participation. The "typical" winter visitor group consisted of 2.4 people, spent \$111 per day, stayed 3.1 nights, and had a household income of \$60,000-\$80,000. Nearly all visitors had been to Montana before and planned to return within two years (95%+). Almost two-thirds were couples or singles – only 18% were traveling with children, and most of those were passing through. Thirty-nine percent of winter visitors came from North Dakota and Wyoming. About one-in-five (22%) flew for a portion of their trip.

When asked about their *primary* trip purpose, nearly one-third of winter visitors were just passing through Montana on the way to somewhere else, 23% were vacationing in Montana, 18% were traveling for business reasons, and 16% were visiting friends and relatives (VFR), many of them coming for the holidays. Business and vacation travelers were the most affluent groups: 56% of vacationers and 40% of business travelers had household incomes of \$80,000+ (versus 21% of VFR and 31% of pass-through travelers). The most frequently cited activity of visitors while in Montana was shopping (41%), followed by wildlife viewing (17% - down from 24% in 1998), downhill skiing, day hiking and gambling (12% ea.). Interest in historic and cultural activities increased since the 1998 winter study. Less than 15% of winter nonresident travelers visited Yellowstone Park, the Flathead Lake area, Glacier Park or the Little Bighorn Battlefield, although visits to Glacier Park increased from 1993. Statewide, participation in downhill skiing and snowmobiling declined from 1998 to 2001, but Big

Sky skier days rose 6.5%, and the number of snowmobilers in Yellowstone National Park rose 14% during this time period (from Dec-Mar, 1998 to 2001).

Spring

During the spring (Apr-May) of 2001, there were 579,300 nonresident travel groups, and they spent \$169 million in Montana, or \$292 per trip (vs. \$341 in winter, \$460 in summer). The “typical” spring visitor spent less money (\$96/day), stayed a shorter time period (3 nights), had a smaller travel group (2 people) and was less affluent (income of \$40-\$60,000) than the typical winter visitor. Fewer had been to Montana before and planned to visit again within two years (81-87%).

Nearly half of spring travelers were just passing through Montana on the way to somewhere else. About one-quarter were vacationing in Montana, while 14% were VFR and 11% were business travelers. More than two-thirds were couples or singles – only 10% were traveling with children, and most of those were VFR. Only 16% came from North Dakota/Wyoming (vs. 39% in winter), while 22% came from Washington and Idaho (double the percentage in winter). Nearly one-in-five (19%) were from the Midwest, versus only 5% from Minnesota in winter. Visitors from Alberta and Colorado represented smaller percentages of spring travelers than in winter, while the percentage of visitors from California, Oregon and New York increased in spring.

As in winter, business and vacation travelers were the most affluent (45% of business travelers and 31% of vacationers had incomes over \$80,000, versus 27% of pass-through and 19% of VFR). One-quarter of spring travelers visited Yellowstone Park, while Glacier Park and Little Bighorn each were visited by 19% of travelers. Fewer spring visitors went shopping than winter visitors (27%), but more visited historic sites (22%). Ten to fifteen percent of spring travelers went camping, day hiking, wildlife viewing and picnicking.

Summer

There were a total of 2,267,140 nonresident travel groups visiting Montana in summer 2001 (June through September), and they spent more than \$1 billion in the state, or \$460 per trip (vs. \$490 per trip in 1996). The total number of summer visitors decreased by 21,000 since 1996 and total expenditures decreased by 3% (-\$28.5 million), because length of stay and group size decreased. The “typical” summer group consisted of 2.5 people (larger than winter or spring), spent \$110 per day (more than spring

Sidebar 3.4:

Spring Travelers in 2001

(Data not available for trends comparison.)

- Nearly half were pass-thru, 23% vacation
- 80% repeat visitors
- Shorter stays, lower spending & smaller travel groups than winter or summer
- Few (10%) had kids along (most were VFR)
- Key markets are: WA, ID, Midwest (esp. WI, MN), ND, WY, ALB, CA
- Interest in history/culture, Nat'l Parks

Implications:

- Need VICs, services to capture pass-thru
- Specialty packages focusing on heritage/culture and Nat'l Parks could draw more visitors or extend stays



St. Mary Lake, Glacier National Park

Sidebar 3.5:

Summer Trends: 2001 vs. 1996

- Half of travelers are primarily vacationing
- Increasing: vacationers, biz travelers, couples
- Same level: overall number of visitors, pass-thru travelers, shoppers
- Decreasing: length of stay, group size, total spending, singles, families with kids, VFR
- 75% repeat visitors
- Spending: \$490/trip in 1996, \$460/trip in '01
- More visitors from CA, MN, ALB, B.C., PA, NY, GA, FL
- Same % from ID, OR, UT, ND, TX, IL, MI, WI
- Fewer from WA, WY, CO, AZ, NV, overseas
- More flew and rented cars (time crunch)
- Slightly more "attracted by" open space/uncrowded; fewer "attracted by" mountains/forests, rivers/lakes, wildlife, Glacier Park
- Increased visitation to historic/L&C sites, shopping, hiking, nature study, cultural activities, picnicking, golf, fishing, rafting
- Decreasing: wildlife viewing, camping, gaming
- More: use of Internet, chambers/CVBs and businesses to plan trips
- Less: use of auto clubs, 800#, MT Travel Planner, National Park info & guidebooks
- Useful during trip: highway signs, VICs, brochure racks, front-line service persons

Implications:

- Overall revenue per tourist declining
- Fewer families & VFR travelers, more couples
- More interest in passive outdoor and cerebral activities (history/culture), less interest in "roughing it"/scenery/wildlife only
- Need packages/activities for urban couples, families with kids, "fresh" appeal of attractions (National Parks) to repeat visitors.

visitors but slightly less than winter visitors), stayed 4.2 nights (one day longer than winter or spring), and had a household income of \$40-\$60,000 (similar to spring, lower than winter traveler).

About three-quarters of summer travelers had been to Montana before, and planned to return within two years. More than half (55%) were singles or couples, but couples were 41% of all summer travelers (up from 38% in 1996). One-quarter of summer visitors were traveling with children, a decrease from 1996. More than one-in-four came from Washington, Idaho, Wyoming and the Dakotas, while 13% came from other nearby states (UT, OR, CO, NV). Ten percent were from California, 17% from the Midwest, 8% from the southwest (AZ, TX, NM, OK), 16% from the east/southeast, 8% were from Canada and 3% from overseas (down from 5% in 1996).

The primary trip purpose was vacation for half of summer travelers, while 21% were just passing through, 15% were visiting friends/relatives and 7% were traveling on business. Business travelers and vacationers were most affluent, as 42% of business travelers and 35% of vacationers had household incomes of \$80,000+ (versus 26% of VFR and 24% of pass-through travelers). Nearly half of summer travelers visited Yellowstone Park, one-third visited Glacier Park, 14% visited Little Bighorn and 7% visited the Lewis & Clark Interpretive Center. About one-third of summer travelers enjoyed shopping, wildlife viewing and day hiking, while one-in-four enjoyed picnicking, visiting historic sites and camping, and about one-in-five enjoyed museums, fishing and visiting Lewis & Clark/American Indian sites. Fewer than 10% of nonresident summer travelers participated in gaming, golf or rafting.

Fall

The fall study (Oct-Nov 2001) of nonresident travelers had less data available than the other three seasonal studies due to smaller sample size (after September 11th travel restrictions), and could not be compared to the 1993 fall three-month (Sept, Oct, Nov) travel study for analysis. There were 432,827 fall nonresident travel groups, almost half of which were couples (42%), one-quarter were singles, and 21% were families. Only 10% were traveling with children. The "typical" fall travel group consisted of 2.03 people and stayed 3.94 nights in Montana. Most fall travelers were repeat visitors (89%), and almost all (94%) plan to return within two years. Eleven percent flew and/or rented a car while on their trip. Slightly more than half had

household incomes of less than \$60,000. Although one-quarter of all fall travelers, and 39% of vacationers, earned \$100,000+, more than any other season.

One-third of fall travelers were merely passing through, 29% were on vacation, one-quarter were VFR, 7% were business travelers, and 4% each were shopping/other. Vacationers stayed five nights, half the time in hotels; VFRs stayed 6.5 nights, mostly in private homes (65%). Pass-thru travelers stayed only 1.5 nights. Fall visitors enjoyed shopping (34%), wildlife watching (22%), hunting (17%), day hiking (16%) and fishing (13%). Vacationers' primary purpose in visiting Montana in the fall was shopping or hunting. Almost half (43%) of all vacationers hunted, and 15% hired an outfitter.

Visitors originated from WA (14%), ID (10%), ND (8%), WY and ALB (7% each), CA (6%), MI and UT (5% each), OR (4%), CO and TX (3% each) MN, NV and PA (2% each). Comparison -figures from Montana Fish, Wildlife & Parks indicate the top states of origin for nonresident big game hunters (primarily fall visitors) are the following: WA, ND, CA, MN, WI, PA, MI, TX, OR, NY, FL, and OH.

Summary of Seasonal Trends

The following is a summary of seasonal traveler trends and differences:

- **In summer**, half of travelers are vacationers, an increase since 1996. One-in-five is pass-through (unchanged since 1996, and a lower proportion than spring, fall or winter). About 15% are VFR – a decline from 1996, and about the same proportion as in spring and winter, but much lower than fall (23%).
- **In winter**, one-third of travelers are VFR, 29% are pass-through, 23% are vacationers, and 18% of travelers are business travelers.
- **In spring**, nearly half of travelers are pass-thru, and 23% are vacationers. Spring travelers have the smallest groups, shortest stays and lowest spending.
- **In fall**, one-third of travelers are pass-thru (34%), 29% are vacationers, 23% VFR. Fall vacationers are affluent, and like to hunt and shop.
- **Except in summer**, two-thirds of travelers are couples/singles. In summer, 25% have kids along (versus 10% in spring or fall, 18% in winter).
- **Overall spending declined in summer** due to declines in trip length and group size as travelers have smaller families and less leisure time. Summer travelers have the largest travel groups and stay longest, but winter travelers spend more per day.

Sidebar 3.6:

Internet Conversion Study Results

- Conversion study measured influence of Montana www.visitmt.com web site on visitor conversion and economic impact
- 2,120 visitors to visitmt.com site were contacted in Nov-Dec 2001: 33% survey completion rate
- "Well-connected" web users: 92% have home access; 60% workplace access
- Web search timing: 2+ months before travel (68%), 1-2 months (24%); 4 wks or less (8%)
- Nearly three-quarters (73%) revisit travel web site more than once a month
- 10% were directly influenced to visit; almost half were somewhat influenced
- Web site helped generate 18,000 trips to MT
- Site-influenced visitors spent over \$39 million in state; ROI approx. \$28 for each \$1 spent by MT
- Internet not a substitute for print materials; about half used phone/mail for add'l info
- Visitor profile: 2.9 per party, 30% with children
- Half visit in summer, 19% fall, 12% spring, 6% winter
- Economic impact: 7 night stay, avg. \$300/day
- Trip experience: 93% satisfaction, 84% very likely to return within 2 yrs
- Visitor image of Montana: history, outdoors/nature, getaway, adventure
- L&C sites need promotion to increase awareness of MT sites
- States of origin: WA, CA, MN, MT, IL, WI, OR, TX, FL

Implications

- Highlight new features/attractions to increase repeat visitation
- Promote each season in advance
- Regularly monitor search engine links
- Continue to promote web address in print

Source: DOC 2001 Internet Conversion Research Report



Western Heritage Days, Grant-Kohrs Ranch

While national trends show that family travel is up, the percentage of families coming to Montana has declined.

- **Washingtonians are the largest group (12%) traveling to Montana**, as a percent of all visitors, but their proportion has declined. Visitation from North Dakota and Wyoming has increased in winter, and remained stable in summer. More Californians and Midwesterners are coming in summer, while numbers of Idahoans and Wisconsinites increased in spring (visitation from Idahoans is stable in summer). Canadians make their strongest showing in winter and spring.
- **Yellowstone and Glacier Parks are still the most visited sites** in all seasons. Flathead Lake and Little Bighorn Battlefield are second in year-round popularity.
- **Interest in heritage/cultural attractions has grown** in all three seasons. Shopping, wildlife watching and hiking are the most frequent primary activities in all seasons. Active outdoor recreation (camping, skiing, snowmobiling) seems to have declined – though weather could be a factor – while passive outdoor activities (golf, fishing, picnicking) increased. Perhaps this is a result of Baby Boomers comprising an increasing portion of the traveler market.

C.3 Half of 2001 Nonresident Visitors had Shorter Stays, Spent Less than 1996/98

The ITRR nonresident visitor research identified travelers by their “primary” and “other” trip purposes. The paragraphs below describe the characteristics of the four major traveler types (vacationers, pass-through, VFR, and business), based on those who chose the type as their “primary” trip purpose.

Vacationers

Vacationers represented half of Montana’s nonresident travelers in summer, and about one quarter of travelers in winter, spring and fall. In winter, nearly half of them also were visiting friends or relatives – many of them over the holidays (which links to 88% being repeat visitors). Eleven percent of winter vacationers also cited shopping as a reason for their trip – not surprising since 43% of winter vacationers came from North Dakota and Wyoming, two key markets for retail businesses in Billings. In fall, 35% of vacationers were visiting friends or relatives; while in spring and summer, less than 20% were. Nearly half of winter and summer vacationers were couples (56% in spring, 33% in fall). Few were traveling alone in

Table 3.4: Primary Trip Purpose of Nonresident Visitors

Purpose	Winter	Fall	Spring	Summer	Total
Vacation	23%	29%	23%	52%	41%
No. of Groups	184,380	125,520	133,239	1,178,913	1,496,511
VFR*	32%	23%	14%	15%	19%
No. of Groups	256,500	99,550	81,102	340,071	677,673
Business	18%	7%	11%	7%	10%
No. of Groups	144,281	30,298	63,723	158,700	366,704
Pass-Through	29%	34%	47%	21%	27%
No. of Groups	232,453	147,161	272,271	476,099	980,823
Total Groups	801,562	432,827	579,300	2,267,140	3,648,002

* Visiting Friends/Relatives

Source: ITRR Nonresident Visitor Study Reports
2001-7, 2002-2, 2002-5, 2002-8

summer, compared to spring (17% singles), and fall (23%). In summer, about one-third were traveling with family (29% brought children), while in fall and winter, only 15-16% brought kids. This trend is a bit surprising, since national trends indicate that family travel is increasing, but in Montana, it declined from 1996 to 2001. This may indicate an opportunity and a need for Montana tourism partners to package and market more family trips.

North Dakotans represented one-third of winter vacationers and 7% in the fall, yet they were less than 1% of vacationers in spring and only 3% in summer. VICs report they are shopping, skiing and snowmobiling in Montana. Washington was the top state of origin for vacationers in spring (18%) and fall (13%), second in summer (9%), but tied for seventh with New York and Colorado in winter (3%) – a big drop from 1996. Further investigation about Washingtonians may reveal the reason for the decline, since they clearly still are a major market for Montana in other seasons (they top the list of nonresident fishing license purchasers). The Midwest also is a key market for vacationers (particularly MN, WI, MI, IL and OH), as is the southwest (CO, TX, AZ). California is the top summer market, second in fall, third in spring, fifth in winter. In summer, Alberta is third and Utah fourth. In spring, Oklahoma, South Carolina, and Virginia emerged as markets. In fall, 5% of vacationers come from Alberta, Minnesota, Oregon and Idaho.

Vacationers were the second most affluent type of visitors to Montana (behind business travelers), particularly in winter (most likely destination skiers and snowmobilers) and fall (hunters): more than half earned \$80,000+, more than a third \$100,000+. In spring and summer, about one-third earned \$80,000+. Winter and spring vacationers spent about 3.6 nights in Montana, while in summer, they stayed 4.6 nights, and in fall 5 nights (hunters tend to stay longer).

In winter, one-third of vacationers were skiers, and about 10% each were snowboarders, snowshoers and snowmobilers. Shopping, hiking, wildlife viewing and festivals/events also were popular. In spring and summer, the top activities were visiting historical/cultural sites, hiking, shopping, camping, wildlife viewing and picnicking. In fall, the most popular activities were hunting, shopping, wildlife viewing and fishing. In summer, 9% of vacationers used an outfitter during their trip and 15% did in fall. In 2001, Yellowstone Park was visited by half of spring vacationers, and one-third of summer, fall and winter vacationers. Glacier Park was

Sidebar 3.7:

Vacationer Characteristics by Season

- Half are couples; about 1/3 are families in summer
- Repeat visitation: 70% summer, 88% winter
- More affluent (esp. winter) than VFR or pass-thru
- Family travel declining (29% w/kids in summer)
- Spring/summer activities: history/culture, hiking, shopping, wildlife
- Used Internet, auto clubs, national park brochures/MT Travel Planner to plan trips
- Useful during trip: front-line service, VICs, brochure racks, and highway signs

Summer

- 52% of all travelers: 1/2 couples, 1/3 families
- Key Markets: CA, WA, ALB, UT, OR, CO, Midwest, Southwest, Europe, FL, GA, NY, MD, PA, BC
- Average length of stay: 4.6 nights
- Attract'ns: 1/3 visited YNP, 1/4 GNP, 13% Flathead Lake, 3% Little Bighorn, 9% hired an outfitter

Winter

- 23% of all travelers: 16% with kids, 1/3 w/income of \$100,000+, 56% \$80,000+
- Decreasing visitors from WA in winter
- Markets: ND, WY (shopping), MN, OH, CA, ALB, WA, UT, ID, CO, NY, Europe
- Average length of stay: 3.6 nights
- Attractions: 1/3 skiers, 10% each snowboarding, snowmobiling, snowshoeing. 1/3 visited YNP & Little Bighorn, 1/4 Flathead Lake, 10% visited GNP, events

Spring

- 23% of all travelers: 56% couples, 17% singles, 1/3 w/income \$80,000+
- Markets: WA, WI, MI, OK, ID, ALB, CA, IL, MN
- Attractions: 50% YNP/GNP, 34% Little Bighorn, 1/4 Flathead Lake
- Average length of stay: 3.6 nights

Fall

- 29% of all travelers: 33% couples, 23% singles, 1/2 w/income \$80,000+, 15% used outfitter, stayed 5 nts
- Markets: WA, CA, ND, MN, ALB, OR, ID, ONT, MI, NV
- Activities: hunting, shopping, wildlife watching, fishing

Sidebar 3.8:

Pass-Thru Traveler Characteristics

- 28% (about 2.3 million) of 2001 nonresident travelers were just passing through
- Half of spring travelers were pass-through
- Couples and singles, interested in historical/cultural sites and attractions, moderate income.
- 1 night stay - little activity in Montana

Winter

- 1/3 couples, 1/4 singles, 20% families, 24% w/kids, 1/3 with income \$80,000+
- Markets: WY, Canada, ND, WA, ID, CO, MN
- Activities: shopping, gambling, picnicking, wildlife, L&C
- Highest repeat visitors: 99%

Spring

- 1/3 couples, 31% singles, 20% families, 8% with kids, 56% income <\$60,000, 75% repeat
- Markets: ND, WA, WI, ID, NY, OR, WY, MN
- 1/4 visited YNP, 20% Little Bighorn Battlefield, 12% GNP
- Activities: history/culture, Native American, shopping, camping

Summer

- 45% couples, 32% families, 22% with kids
- Markets: WA, ID, CA, MN, OR, ND, ALB
- Activities: 18% visited YNP, shopping, picnicking, camping, hist/cult, wildlife, hiking
- Use of internet, auto clubs, NPS brochures
- Highway signs and front-line service useful

Fall

- 34% of all travelers, 57% couples, 9% with kids
- Markets: WA, ID, ALB, CA, MN, WY, ND, OR, BC
- Activities: 18% shopping, 13% wildlife watching, 12% visited YNP, 10% camping

Implications

- Highway signs, customer service training and VICs are important to capturing pass-through travelers.
- Target matures/couples in fall-winter-spring, families in summer.

visited by 40% of vacationers in summer, nearly half in spring, 24% in fall and only 10% in winter. Little Bighorn had the highest rate of visitation in spring, drawing one-third of vacationers (versus 12% in fall, 5% in winter and 3% in summer). The Flathead Lake area drew about one-fourth of vacationers in winter and spring. However, when asked about visitation to major sites "over the years," 2/3 of summer vacationers had been to Yellowstone Park, 43% to Glacier Park, 24% to Flathead Lake, 18% to Little Bighorn Battlefield, and 9% to the Lewis & Clark Interpretive Center. Fresh, themed packaging and marketing of major attractions and sites would encourage repeat visitors to return.

Trip planning sources for vacationers were the Internet, followed by auto clubs, national park brochures and other guidebooks (including Montana Travel Planner). In winter and fall, half of vacationers did not use any trip planning sources listed on the survey (friends/relatives were not listed), and in spring and summer, about one-fourth did not use any sources listed. The high levels of repeat visitation may be linked to the number of visitors who did not use planning assistance. During their trip in Montana, vacationers used front-line service persons, VICs, brochure racks and highway signs.

Pass-Through Travelers

Nearly half of Montana's spring travelers were just passing through, as were one-third of fall visitors, more than one quarter of winter visitors, and one-in-five summer visitors. In spring and summer, one-third or more of pass-through travelers were on vacation – but passing through Montana to vacation somewhere else. A few also were visiting friends/relatives, or traveling for business or shopping. Most pass-through travelers spent only one night in Montana – taking little time for activities. In fall, more than half of travel groups were couples, compared to one-third in winter and spring. One-quarter were singles and one-in-five were families in winter and spring. In summer and fall, there were more couples and families, and fewer singles. In winter and summer, about one quarter of pass-through travelers had kids along, but in spring and fall, only 8-9% had children with them.

Most of the winter pass-through travelers came from nearby states and provinces (WY-24%, ALB-16%, ND/ID/WA 8-11% each, SASK/CO/BC/MN 4-6% each), as did fall (WA-18%, ID-13%, ALB-12%, CA, MN, WY 5% each). In spring and summer, Washington and Idaho were top states of origin, followed by a mixed bag of travelers (in spring, WI, NY, OR, WY & MN, and in summer, CA, MN, OR & ND). Canadians

represented 26% of winter pass-through travelers, 6% in spring, 8% in summer and 19% in fall. About 13% of pass-through travelers flew during a portion of their trip, and a few rented cars. In summer, 20% of the cars were rented in Utah and 18% in Washington, indicating that travelers were flying into Salt Lake City, Spokane and Seattle.

Nearly all winter (98%+) and fall (86%) pass-through travelers had visited Montana before, and planned to return within two years. About three quarters of spring and summer pass-through travelers had visited before. Only 40+% of pass-through travelers had incomes of \$60,000+ (vs. 56-75% of destination vacationers). Winter pass-through travelers were slightly more affluent (31% earned \$80,000+).

Very few winter pass-through travelers stopped at major attractions or participated in activities other than shopping (26%) or gambling (15%). In spring, about one-quarter stopped at Yellowstone Park, one-in-five at Little Bighorn Battlefield and one-in-ten stopped at Glacier Park. The top spring activities were historical/cultural attractions (museums, Native American and Lewis & Clark sites), and about ten percent went shopping or camping. In summer, about 18% visited Yellowstone Park, but few stopped at other attractions. Other summer activities were shopping, picnicking, camping, historical/cultural activities and wildlife viewing, though none of these attracted more than 18% of pass-through travelers. Fall pass-through travelers enjoyed shopping (18%), wildlife watching (13%), visiting YNP (12%) and camping (10%).

Many pass-through visitors did not use any trip planning sources listed in the survey, but of those who did, most used the Internet and auto clubs. While traveling through Montana, information sources were highway signs and service persons.

VFR Travelers

Travelers visiting friends and relatives represented one-third of all winter visitors (many staying over the holidays), almost one-quarter of fall visitors, but in spring and summer, they were only about 15% of travelers (those who listed VFR as their primary trip purpose). About one-third of them in winter, spring and fall, and two-thirds in summer, were also vacationing. They stayed about five nights in winter (70% of nights in the homes of friends/relatives), four nights in spring, six nights in summer (56% of nights in homes), and almost seven nights in fall (65% in homes). In winter, 44% of VFR travelers were traveling alone (presumably many were students

Sidebar 3.9:

VFR Traveler Characteristics

- Least affluent (50-60% earned <\$60,000)
- Majority stay in VFR home; 1/4 with kids in summer
- Longest stays of all traveler types
- 1%-14% visit major attractions, spend time shopping, visiting historic sites/events and outdoor activities (hiking, picnicking, fishing, ORV, wildlife, camping, golf, history/culture)
- Markets: WA, ID, WY, CA, CO, ND, NM, OR, AZ, SD, MN
- 1/2-2/3 used none of trip planning sources

Winter

- 1/3 of all travelers
- 1/4 couples/families, 44% singles (students)
- 21% earn \$80,000+ (vs. 56% of vacationers)
- Avg. stay: 5 nts (70% at VFR home)
- Activities: 20% visited Little Bighorn, shopping, wildlife

Spring

- 15% of all travelers
- 44% couples, 1/4 singles, families
- Avg. stay: 4 nts (half at VFR home)
- 19% earn \$80,000+ (vs. 31% of vacationers)

Summer

- 15% of all travelers
- 1/3 couples, 19% singles, 40% families, 27% with kids
- 26% earn \$80,000+ (vs. 35% of vacationers)
- Avg. stay: 6 nts (half in VFR home)

Fall

- 23% of all travelers
- 46% couples, 29% families, 23% singles
- Avg. stay: 7 nts (65% at VFR home)

Implications

- Less than 15% of VFRs visited major attractions in Montana, except 20% stopped at Little Bighorn in winter, 21% at YNP in fall

Sidebar 3.10:

Business Traveler Characteristics

- Most affluent traveler type (40% with income \$80,000+), from nearby states, many are former Montana residents
- 1/4 combine business with vacation in summer
- 1/2 to 2/3 traveling alone, 1/5 with spouse
- Activities: 25% visited GNP, shopping, gambling, history/culture, hunting
- Markets: ND, WA, CA, CO, WY, ID
1/3 flew (43% in summer)

Winter

- 18% of all travelers

Spring

- 11% of all travelers
- 14% bring families, 2%-3% with kids

Summer

- 7% of all travelers
- 14% bring families, 10% with kids
- Longest stays of all travelers: 7.6 nights

Fall

- ITRR analysis of business travelers was omitted due to small sample size of business travelers

Implications

- High potential to increase spending, extend stays with add-on activities
- Potential targets for MT's biz recruitment

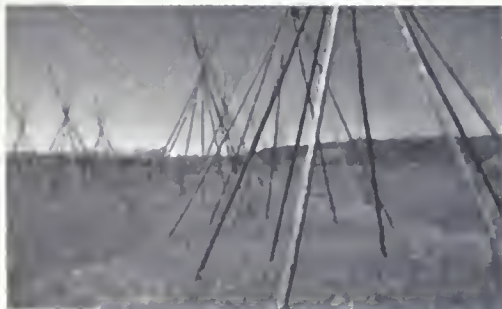
coming home from college for the holidays, although age and occupation data is not available), and about one-quarter each were couples and families. In spring and fall, 44% were couples, and about one-quarter each were singles and families. In summer, about one-third were couples, 19% singles, and nearly 40% families (27% of summer VFR travelers had kids along, versus 15-18% in other seasons).

The top states from which VFR travelers originated were Washington, Idaho, Wyoming, Arizona, South Dakota, California, Oregon and Minnesota. It is interesting to note that Washington was at the top of the list for winter, summer and fall VFR travelers, because overall winter visitation from Washington declined since 1993. Nearly one-quarter of the VFR travelers flew during a portion of their trip. Most had been to Montana before, and planned to return within two years (90%+). In general, VFR travelers were the least affluent of the four traveler groups.

Less than 15% of spring and summer VFR travelers visited major attractions in Montana, while in winter and fall one-in-five stopped at Little Bighorn or Yellowstone National Park. During fall, shopping, day hiking, wildlife watching, visiting museums/historic sites, hunting and sporting events (e.g. football) were favorite activities. Year round, popular activities were outdoor recreation (hiking, picnicking, fishing, 4-wheeling, wildlife viewing, camping, golf) and historical/cultural activities (museums, Lewis & Clark, Indian sites, festivals and events). About half went shopping during their visit. The majority (half to two-thirds) of VFR travelers did not use any of the trip planning sources listed on the survey, but of those who did, the Internet was most common (used by 20-30% of VFRs). While in Montana, highway signs, front-line service personnel and VICs were useful.

Business Travelers

The smallest, but most affluent, segment of nonresident tourists are those whose primary trip purpose is business. They represent only 18% of nonresident tourists in winter, 11% in spring, and 7% in summer and fall. Interestingly, they stay longer in summer than other travelers (Table 3.5), in part because about one-quarter are combining business with vacation, and 18% are also visiting friends/relatives. This group of travelers also mentioned that hunting in Montana is an attraction for them, so they could be expected to return in the fall. Unfortunately, due to the small sample size of the fall survey, comprehensive analysis of fall travelers whose *primary* trip purpose



Big Hole National Battlefield

was business was omitted. However, 13% of all fall travelers listed business as one reason for their trip. In the other three seasons, half to two-thirds of business tourists were traveling alone, while 15-18% were traveling with a spouse or partner and 10-15% with business associates. In spring and summer, about 14% brought family along (10% brought kids in the summer, versus 2-3% with kids in winter and spring).

The states from which business travelers originate are North Dakota (37% of winter business travelers, 21% in spring), Washington (12% in summer), California (11-12% in spring and summer), Colorado (10% in spring), Wyoming (11% in winter) and Idaho (9% in summer). More than one-third flew during a portion of their trip (43% in summer), and about one-quarter rented cars (one-third in summer). Most of the business travelers had been to Montana before and planned to return within two years (87+%). More than 40% of business travelers had household incomes of \$80,000+, and nearly two-thirds had incomes of \$60,000+ (82% in winter).

However, not many business travelers stopped at Montana's major attractions, with the exception of about 25% visiting Glacier Park in winter. Less than 20% visited Yellowstone Park, Ft. Peck Lake or the Lewis & Clark Interpretive Center in winter, or Yellowstone Park in spring. Few business travelers engaged in outdoor activities, though some went hiking, fishing and wildlife viewing. Shopping, gambling, and historical/cultural activities were more popular. Less than one-third used trip planning sources listed in the survey, and of those, the most used were the Internet, private businesses and travel agents. During their trip, business travelers used front-line service persons, highway signs and brochure racks.

ATS Survey Results

The ATS survey results summarized in Sidebar 3.2 in section C1 (page 49) are from 1995, but they are consistent with more recent findings from other sources, and

Table 3.5: Nonresident Tourist
Length of Stay Comparison (Nights)

<u>Tourist Type</u>	<u>Winter</u>	<u>Spring</u>	<u>Summer</u>	<u>Fall</u>
Vacationer	3.6 nts	3.7 nts	4.6 nts	4.9 nts
Pass-Thru	1.0 nts	1.2 nts	1.4 nts	1.5 nts
VFR	4.9 nts	4.1 nts	5.7 nts	6.6 nts
Business	3.6 nts	1.0 nts	7.6 nts	n/a

Sidebar 3.11:

Destination Traveler Characteristics from All 50 States to Montana (1995)

- Half of all destination travelers were vacationers, 24% were VFR
- 60% traveled 1,000+ miles to get to Montana: 26% traveled less than 300 miles (WY/ND/SD/ID/BC/ALB/SASK)
- **25% of all destination travelers flew**
- Two-thirds came from April-September
- 31% stayed 1-3 nights, 31% stayed 4-7 nights, 20% did not overnight
- 42% stayed in hotel/resort, 37% in VFR home, 22% other (RV, camping, etc.)
- Average age was 41
- One-quarter were 50+, 45% were 30-49, and one-third were under 30
- Group size was 2.2 people (average)
- 41% were couples, 30% traveled alone, 27% had kids along
- 35% earned \$60,000+ annually, 29% earned \$40-60,000, 37% earned less than \$40,000
- 36% had a high school education, 25% had some college, 39% had a bachelors degree or higher

Source: 1995 American Travel Survey/ITRR

Nearly half of Montana's 2001 nonresident tourists were pass-through/VFR/shopping travelers combined. These three categories have shorter stays and spend less money than vacationers or business travelers.

they provide more detailed data about visitors from four key states from which many of Montana's travelers originate. The same study looked at Montana's destination travelers from all 50 states, and the results are summarized in Sidebar 3.11 at left.

Summary of Traveler Types

- **Vacationers** are half of all travelers in summer, one-quarter in fall, winter and spring. The majority of them are couples, though one-third are families in summer. One-in-three winter vacationers are skiers, 41% are shoppers and 20% hikers. In fall, 43% enjoy hunting, 41% go shopping and 34% go fishing. In spring, most popular activities are historical sites, hiking, shopping, and camping. In summer, vacationers enjoy wildlife viewing, hiking, shopping, picnicking, and history. Top vacationer markets overall are WA, CA, ND, ALB, MN, MI, ID, WY, OR, and CO. However, in winter the primary markets are ND, WY and MN, while in spring, top states are WA, WI, MI, and OK. In summer, the number one state is CA, followed by WA, Alb, MN, and UT, and in fall, the top states are WA, CA and ND. Vacationers were the second most affluent traveler type, behind business travelers.
- **Pass-through** travelers are half of all nonresident travelers in spring, one-third in fall, one-quarter in winter and one-in-five in summer. They originate mainly from surrounding states/provinces (in winter, one-in-four are Canadians; in fall, one-in-five), but also from WA, ID, CO, MN, WI, OR and CA. They stay only one night in Montana, and make few stops other than for gas and meals. Those who do stop for attractions or activities go shopping, visit historic/cultural sites and Yellowstone Park, wildlife watching or picnicking. About one-third of pass-through travelers are couples, one-in-four are singles, and twenty percent are families (there are more couples and families in summer and fewer singles in fall). About one-quarter have children with them (8-9% in spring/fall). Most have been to Montana before. This group tends to be less affluent than vacation or business travelers, but more affluent than VFR travelers.
- **VFR travelers** are one-third of winter visitors, 23% in fall, and about 15% in spring and summer. They stay longer than other visitors (4-6 nights), but half to two-thirds of those nights are spent in the homes of family/friends. In winter, 44% of VFR travelers are single – presumably students coming home for the holidays, while one-quarter are couples and one-quarter families. In spring and fall about 45% are

couples, and one-quarter are families, while in summer, one-third are couples and 40% are families (27% have kids along). Less than 15% of VFR travelers visit Montana's attractions, but they do shop, visit historic/culture sites and join their resident family/friends in outdoor recreation activities like hiking, hunting, fishing, 4-wheeling, etc. They originate mainly from WA, ID, WY, MN, ND, AZ, CO, CA, OR, ALBT, UT, and 86%+ are repeat visitors. VFRs are the least affluent of all traveler types.

- **Business travelers** represent 7%-18% of all nonresident travelers in Montana. They are the most affluent traveler type (1/3 earn \$100,000+), and in summer, one-quarter of them combine business with vacation in Montana (average summer stay is 7.6 nights). Half to two-thirds of them travel alone, but 15%-18% are couples, and 14% bring their family along. They originate from ND, WA, CA, CO, WY and ID. One-third of them fly (43% in summer), and one-quarter rent cars. Most are repeat visitors (87%+), and many of them are sportsmen (11% went fishing in summer, and 17% were attracted by Montana's hunting opportunities). They also enjoyed shopping, historic/cultural sites, gambling and Glacier Park (25% in winter).
- In 2001, half of all nonresident visitors in Montana (53%) were pass-through/VFR/shopping travelers combined. These three categories of travelers have shorter stays and tend to spend less money than vacationers or business travelers. Shoppers are primarily day-trippers from WY/ND/ID/ALB.
- The extremely high numbers of repeat visitors could result from several factors: satisfied customers; many shoppers/pass-through/business travelers from neighboring states; many college students/VFR travelers coming home to visit family; and/or many out-of-state vacation homeowners visiting their property. Vacation travelers have lower repeat visitation rates than VFR, pass-through or business travelers, but still post relatively high repeat rates of 70%-88% (Table 3.6).
- Nationally, vacationers are taking shorter vacations, creating declines in overall length of stay and spending.
- Half of Montana's commercial airline passengers are nonresident travelers.
- These findings of larger proportions of repeat, pass-through and VFR travelers, and shorter trip lengths, partially explain why visitation at key sites around the state has declined, despite increases in the overall quantity of visitors.

Table 3.6: 2001 Nonresident Tourist Repeat Visitation Rate Comparison (%)

<u>Tourist Type</u>	<u>Winter</u>	<u>Spring</u>	<u>Summer</u>	<u>Fall</u>
Vacationer	88%	74%	70%	84%
Pass-Thru	99%	75%	75%	86%
VFR	97%	94%	91%	97%
Business	90%	87%	87%	n/a



Carriage Ride in Helena

Sidebar 3.12: Montana's Competition

State	Key Attractions/Destinations
Calif.	Beach/ocean, urban centers/arts/culture (SF/LA), Napa Valley, Disneyland, conventions, Yosemite/Redwoods/Death Valley Nat'l Parks, San Diego, Hwy 101, mountains, lakes (Tahoe), forests, whitewater, skiing, pro sports, fishing, hunting, camping, bike touring, western/Spanish/tribal heritage, scenic byways
Nevada	Gambling/entertainment, conventions, packages, Lake Mead/Havasu, rodeo, mining/western history, high desert, Lake Tahoe, skiing, boating, fishing, hunting, camping
Idaho	Sun Valley, Boise, Coeur d'Alene, lakes, golf, convention center, Salmon River, Hells Canyon, hunting, fishing, whitewater, skiing, snowmobiling, hiking, Frank Church/Selway/Bitterroot/Sawtooth Wilderness, Craters of the Moon NM, western/mining/tribal history, Lewis & Clark Trail, camping, scenic byways
Utah	SLC, Salt Palace, pro sports, Park City, Moab, Zion/Bryce Canyon/Arches Nat'l Parks, Red Rock Canyon, camping, skiing, snowmobiling, hunting, mountain biking, hiking, scenic byways
Wash.	Ocean, Seattle, pro sports, urban amenities/arts/culture, conventions, Pike Street Market, Mt. Rainier, Olympic Mtns, Mt. St. Helens, fishing, skiing, hiking, bike touring, tribal/fur trading history, wineries, scenic byways, Lewis & Clark Trail
Oregon	Beaches/ocean, Portland, arts/culture, pro sports, conventions, fishing, whale watching, wineries, microbrews, Bend/Mt. Bachelor/Hood, Crater Lake, hunting, skiing, hiking, bike touring, Shakespeare Festival, tribal/Oregon Trail/Lewis & Clark Trail, Wallowa Lake, camping, scenic byways
S. Dak.	Mt. Rushmore, Black Hills, Badlands, Rapid City, Hot Springs, Sturgis, Sioux Falls, western/tribal/mining history, L&C, hunting, fishing, dinosaurs, buffalo, gambling, scenic byways
Arizona	Grand Canyon, golf, resorts, pro sports, baseball, Phoenix/Sun City, conventions, tribal/Hispanic culture, Petrified Forest, Lake Havasu, Flagstaff, snowbird rallies/Quartzsite
Colorado	Rocky Mountains, Mesa Verde Nat'l Park, Pike's Peak, skiing, Aspen/Vail, Denver, urban amenities, arts/culture, conventions, pro sports, western/mining/tribal history, scenic byways, skiing, hunting, mountaineering, whitewater, fishing, mtn biking

Source: 1995 American Travel Survey/ITRR

D. Montana's Competitive Niche

D.1 Montana's Competition has Similar Assets

The ATS Survey identified the states of origin of Montana's destination travelers. It also identified other destinations that travelers from those states are likely to visit. Sidebar 3.12 lists the destinations most likely to attract the same tourists as Montana (e.g., competitor states), and some of their key attractions. Note: an in-depth analysis of Montana's competition is beyond the scope of this strategic plan; however, further research in this area may provide enlightening information for decisions about future promotion campaign targets and themes.

Most of the states have characteristics that are similar to Montana (mountains, forests, lakes, rivers, outdoor recreation, urban amenities, western/tribal/mining history and culture). Some have well-known national parks and other natural attractions, as well as man-made attractions (Disneyland, Las Vegas, golf resorts). Others have well-known ski resorts (Park City, Aspen, Sun Valley, Tahoe), or historic and cultural attractions. Most of the states have better air service than Montana (more airlines serving them, and/or more scheduled flights).

The key competitive factors (characteristics sought by consumers who are likely to be interested in Montana) appear to be the following:

- Outstanding natural assets (mountains, lakes, rivers) – escape from city
- "Major" national parks or other natural attractions
- Outdoor recreation (hiking, fishing, hunting, skiing, water sports)
- Wildlife
- Some urban amenities: shopping, dining, culture
- High quality entertainment (not necessarily "Broadway", but opportunities to enjoy "name" entertainment and nightlife)
- Interesting/unique history and historical sites
- Packaged, age-appropriate activities for children
- Convenient access

So the question is:

"What is Montana's competitive advantage?"

In order to answer that question, four areas of subject matter must be considered:

1. The character and condition of Montana's unique natural/historic/cultural assets
2. Montana's existing tourism and recreation support services/infrastructure
3. The results of state and national tourism and recreation trend research
4. Montana's current image in the marketplace

The first two topics were discussed in Chapter 2, and the third topic earlier in this chapter. The fourth topic was addressed in a 1999 study commissioned by Travel Montana to determine Montana's image in four selected urban markets. The results are discussed in section D.2 below.

D.2 Montana's National Image is Positive; Even "Negatives" are Positive

A study that was conducted in 1999 to gain insights about Montana's image among potential travelers produced the following results, based on surveys with consumers in four key metropolitan travel markets²:

Positive images that consumers expressed about Montana were the following:

- Vast unspoiled landscapes, mountains, water
- Fishing, hunting, hiking, camping
- Western culture: Cowboys and Indians

These images are consistent with Montana's key natural/historic/cultural assets, and they indicate that Montana's image advertising and promotional materials which highlight those assets have been working.

On the other hand, those same images can have a different impact on certain market segments:

Negative images that consumers expressed about Montana were the following:

- Lacks sophistication, culture, arts
- Few high quality amenities

Sidebar 3.13:

National Image of Montana

The results from a 1999 study of consumers in key metropolitan travel markets found that potential travelers had the following images about Montana:

Positive Images

- Vast, unspoiled landscapes
- Mountains, water
- Fishing, hunting, hiking, camping
- Western culture: Cowboys & Indians

Negative Images

- Lacks sophistication, culture, arts
- Few high quality amenities
- Things to "see", but not to "do"
- Not "kid-friendly", safety concerns
- Hard to access, difficult to purchase

The good news is that the "negative" images are misconceptions: Montana does have sophistication, culture, arts, high quality amenities, entertainment and activities for kids (though packages are needed). The access and purchase issues are real, but can be addressed. Montana's "negative" images are not like those of other states (crime, overcrowded, polluted, humid, dirty), so Montana has opportunities to refine its image among potential travelers.

Source: MT Image & Positioning Assessment, Dec. '99

² Montana Image & Positioning Assessment, Strategic Marketing and Research, Inc., December 1999



Bison in Yellowstone National Park

Montana's Competitive Advantage

The advantages that Montana has over its competitor states can be summarized by the following descriptors:

- Uncrowded
- Clean air and water
- Healthy and abundant wildlife
- Outstanding historical attractions (authentic, not "Disney")
- 2,000 miles of the Lewis & Clark Trail
- Casual but classy cultural and urban amenities
- Safe
- Good highway/road system
- Genuine, friendly people
- Good value for the money

- Things to "see", but not to "do" (entertainment)
- Not "kid-friendly" (few activities designed for kids with and without parental participation), safety concerns in "wide open spaces" or on water, or around "dangerous" wildlife or livestock
- Hard to access, difficult to purchase travel (packages, online booking, etc.)

These perceptions in some ways are the "flip side" of promoting an image which emphasizes themes of "natural", "wide open spaces", "big sky" and "wildlife." However, the good news is that the "negative" images are misconceptions: Montana does have sophistication, culture, arts, high quality amenities, entertainment and packaged kids' activities (though more are needed). The access and purchase issues are real, but also can be addressed. So these "negative images" are not really "negative" – not like "high crime rate, overcrowded, polluted, humid, dirty" or other images that some destinations must overcome (including some of Montana's competitors).

The desired image that Montana seeks to communicate to the world depends on which market segments Montana tourism and recreation stakeholders decide to target, based on its competitive advantage.

D.3 Montana has a Multi-faceted Competitive Advantage

After reviewing the four areas of information outlined in section D.1 (Montana's assets, services, research and image), Montana's competitive advantage (compared to competitor states) can be summarized by the following descriptors:

- Uncrowded
- Clean air and water
- Healthy and abundant wildlife
- Outstanding historical attractions (authentic, not "Disney")
- 2,000 miles of the Lewis & Clark Trail
- Casual but classy cultural and urban amenities
- Safe
- Good highway/road system
- Genuine, friendly people
- Good value for the money

E. Top Priority Target Markets

This section discusses current and potential target markets, and the planning team's recommendations for highest priority markets.

E.1 Criteria for Identifying Top Priority Markets Emphasizes ROI

Previous research and strategic planning efforts identified a set of priority nonresident target markets for Montana (see Markets map, page 69). Table 3.7 lists the state's 2001-2002 demographic and geographic target markets. The planning team has identified a list of criteria and recommendations for determining top priority markets for 2003-2007, based on the existing conditions described in Chapter 2, the state/national tourism trends described earlier in this chapter, and Montana's image and competitive advantage described in the previous section. A key determinant for the selection of criteria is potential Return on Investment, or ROI, of visitor segments targeted.

The criteria for priority market segments are as follows:

- Likely to have a positive image of Montana, and a strong interest in Montana as a destination
- Propensity to spend more per trip than other segments
- Tendency to enjoy more developed attractions and destinations, rather than backcountry assets
- Low-impact, in terms of likelihood to compete with Montanans for outdoor recreation experiences
- Likely to participate in high-value outdoor recreation (skiing, golf, guided adventures/fishing/hunting)
- Inclination to travel during shoulder seasons
- Accessible to Montana via 1-2 day drive or reasonable air service connections
- Interest in history/culture/Lewis & Clark Bicentennial

Based on these criteria, the next section identifies top priority markets for 2003-2007, based on the planning team's recommendations.

Table 3.7: Montana's 2001-2002 Nonresident Target Markets

Table 3.7: Montana's 2001-2002 Nonresident Target Markets			
Market Segment	Demographic	HH Income	Vacation Interests
Traditional	Adults 35+	\$60,000+	Scenic driving, nature photography, with and w/o children, camping/hiking and wildlife viewing. Includes families interested in creating a relaxing and memorable experience together.
Active Mature	Adults 55-64	\$60,000+	Participate primarily in sightseeing, photography, camping and wildlife viewing.
RV/Camping	Adults 35-54 w/ children Adults 55-64	\$60,000+	Participate in camping, hiking and visiting with children historic sites, sightseeing. Photography and wildlife viewing.
Golf	Adults 35-54	\$60,000+	Participate in golfing and travel to resorts.
Photography	Adults 35+	\$60,000+	Participate in photography on either an amateur or professional level.
Western History/Culture	Adults 35+	\$60,000+	Interest in Western history and culture. Likely to visit an historical site as part of their vacation. Some also interested in Western clothing, lifestyle, arts and crafts, architecture, music and dancing.
Outdoor Enthusiasts	Adults 35-54	\$60,000+	Participate in camping/hiking, mountain biking, fishing, hunting and a variety of other outdoor activities. Look for a challenging experience.
Geographic Targets:	Western states: California, Washington, Idaho, Oregon, Utah, Colorado, North Dakota, South Dakota and Texas; Midwest states: Illinois, Wisconsin, Minnesota and Missouri.		
Source: Wendt-Kochman			

Top Priority Target Markets

- Mature travelers, income \$75,000+
- Couples, income \$75,000+
- Non-business conventions & meetings
- Heritage/cultural travelers, esp. L&C
- Families with children, income \$75,000+
- Adventurers, income \$75,000+

- Nearby states/provinces for weekend getaways, conferences, skiers
- California for vacationers
- Southwest for matures
- Midwest for families, skiers
- Eastern metro markets for vacationers
- Europe for couples, families, adventurers
- Montana for more money kept at home

The following are top priority markets for 2003-2007. The intention of this list is not to eliminate other traveler segments from inclusion in promotion efforts, but to identify top priority markets that will maximize the return on dollars invested.

- **Mature travelers**, income \$75,000+, interested in history/culture/arts, soft adventure, golf, skiing, scenic attractions
- **Couples**, income \$75,000+, interested in history/culture/arts, casual urban amenities and entertainment, resorts, events, guided adventures, skiing, scenic attractions
- **Conventions & meetings**, esp. non-business (associations, research/education, religious), and business linked to Montana (ag, forestry, mining, etc.)
- **Heritage/cultural travelers**, esp. Lewis & Clark “buffs”, income \$75,000+, interest in history/culture/arts, dining, shopping, reenactments, museums, historic sites
- **Families with children**, income \$75,000+, interested in destinations with age-appropriate activities for kids, entertainment and safe adventures
- **Guided Adventurers**, income \$75,000+, (vs. do-it-yourself adventure travelers)

- **Nearby states/provinces** (WA, OR, ID, NV, UT, CO, WY, SD, ND, SASK, ALB, BC) for year-round weekend getaway packages, conventions & meetings, metro skiers
- **California** for destination vacationers: couples, matures, heritage/culture, adventure, skiers
- **Arizona/Texas** for matures, couples, high value VFR travelers
- **Midwestern states** (MN, WI, MI, IL, OH, MO) for couples, families, matures, VFR, heritage/cultural/L&C, skiers
- **Eastern metro markets** (NYC, DC, Boston, Atlanta, Philadelphia, Charlotte, Orlando, Tampa) for destination vacationers: couples, heritage/cultural/L&C, matures, adventurers
- **Europe**, for couples, families interested in American West, guided adventures, scenic driving, culture, events & festivals
- **Montana**, to encourage Montanans to spend their leisure travel dollars at home.

The next chapter, Chapter 4, defines a vision, strategic framework and goals for this 5-Year Strategic Plan, based on the “supply” and “demand” information defined in this chapter and the previous one, and on input from Montana tourism and recreation stakeholders. Chapter 5 describes specific objectives and actions to achieve the goals, in the context of market needs and trends as defined in this chapter.

Figure 3.5: Montana's 2000-2001 Nonresident Tourist Markets



Actual 2000-01 Visitors

From ITRR Research:

- ☼ Winter
- ☼ Spring
- ☼ Summer
- ☼ Fall

From FWP License Sales:

- ◆ Nonresident Hunters
- 🐟 Nonresident Fisherman

From Internet Conversion Research:

I MT Web Site Users

State/Regional Targets 2001:

- ★ Travel Montana
- ▲ Region/CVB

Figure 3.5 shows the actual origins of 2000-2001 nonresident tourists who were traveling in Montana, along with the states being targeted by Travel Montana and the tourism regions/CVBs.

Table 3.8: Top U.S. Metro Market Sources of Inquiries to Montana Call Center, 2001, by Ad Campaign

<u>Warm Season</u>	<u>MT/WY Co-op</u>	<u>Downhill Ski</u>
NYC	NYC	NYC
Chicago	Chicago	Seattle
L.A.	Philadelphia	Denver
Seattle	Minneapolis	L.A.
Philadelphia	L.A.	Chicago
Dallas	Denver	San Francisco
Minneapolis	Dallas	Philadelphia
San Francisco	Boston	St. Louis
Denver	San Francisco	Portland
Houston	Seattle	Spokane
Phoenix	St. Louis	Grand Rapids
Detroit	Tampa	Minneapolis
Cleveland	D.C.	Phoenix
St. Louis	Cleveland	Boston
Portland	Pittsburgh	Salt Lake City
<u>Winter (General)</u>	<u>Snowmobile</u>	<u>Miscellaneous</u>
Minneapolis	L.A.	Minneapolis
NYC	Seattle	NYC
Seattle	Minneapolis	Chicago
L.A.	San Francisco	Seattle
Dallas	Chicago	L.A.
Denver	Denver	Philadelphia
Atlanta	Sacramento	Portland
Chicago	Portland	Denver
Orlando	Phoenix	Dallas
Philadelphia	Green Bay	St. Louis
Houston	Cincinnati	D.C.
	Philadelphia	Phoenix
	Boston	Atlanta
	Grand Rapids	Houston
	Spokane	Boston

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Responding to Resident & Nonresident Markets is Key to Strategy

The years 2003-2007 offer tremendous opportunity for tourism and recreation in Montana. The Lewis & Clark Bicentennial is projected to be one of the largest tourism events in recent years. If those projections are realized, the Bicentennial can serve to enhance Montana's economy and create jobs, but it also can create many challenges. The key to exploiting the Bicentennial in a positive way – and all tourism opportunities in Montana – is to focus strategically on sustainable tourism that meets the needs of both Montanans and nonresident visitors in a changing tourism marketplace.

It is clear that Montanans view tourism as an essential component of the state's economy; however, they desire to focus on the kinds of tourism that maximize benefits to their communities and businesses, while minimizing impacts on their own outdoor recreation experiences, and on Montana's outstanding natural, historic and cultural assets.

This chapter defines both the context for, and the components of, the tourism and recreation strategy for Montana. The context is expressed in four dimensions:

- ◆ Vision
- ◆ Guiding Principles
- ◆ Market-Driven Approach
- ◆ Strategic Goals

The 2003-2007 Montana Tourism and Recreation Strategy is presented in its four key components:

- ◆ Strategic Framework
- ◆ Organization and Roles (for Management and Implementation)
- ◆ Objectives and Actions (Chapter 5)
- ◆ Implementation and Accountability (Chapter 6)

This chapter explains the strategic framework for the Plan, the emphasis on market-driven, sustainable tourism, and key partner organizations and their roles. Chapter 5 provides details about the Plan's top priority objectives and actions, and Chapter 6 explains the implementation steps and timeline to accomplish the strategic goals, objectives and actions.

Chapter 4:

The 2003-2007

Montana Tourism & Recreation Strategy

- A. Strategic Vision
- B. Guiding Principles
- C. Market-Driven Approach
- D. Strategic Goals
- E. Strategic Framework
- F. Organization & Roles

"No amount of sophistication is going to allay the fact that all of your knowledge is about the past and all of your decisions are about the future."

A. The Strategic Vision

"Tourism and recreation are crucial components of a healthy society, just as essential as other state services such as schooling, sanitation, and justice. The vision for tourism and recreation in Montana should reflect that."

- Citizen at one of eight Strategic Plan public meetings

Strategic Vision for Tourism

It is the year 2007. Tourism and recreation in Montana has achieved the following:

Balance: between Montana's character/assets and needs of visitors/communities

Cooperation: between public-private-tribal-nonprofit groups to work as a team on common goals

Support: funding for marketing, support services, mgmt of assets, technical assistance

Respect: recognition of economic & social benefits of tourism

Accountability: comprehensive evaluation system to track & measure results/impacts

Montanans have varied opinions about tourism and its direction in their state. In order to establish a strategic direction for this Plan, the planning team asked Montanans about their vision for the future of tourism and recreation. There was surprising consensus about the key elements of that vision, as expressed by Montanans from a wide variety of perspectives, sectors and geographic locations. The vision statement has five components which present a "desired future condition" for tourism and recreation in Montana:

It is the year 2007. Tourism and recreation in Montana has achieved the following:

Balance. Montana's unique character and sense of place are retained while providing quality experiences for both residents and nonresident visitors. Montana's rich natural, historic and cultural assets are managed for sustainable levels of visitation in a manner consistent with responsible, shared use. Communities that desire tourism are benefiting from new revenue and jobs, while retaining their community integrity and heritage. Montana is known for its diverse, high quality natural, historic, and cultural tourism and recreation experiences, and the friendly professionalism of its people.

Cooperation. Effective public-private-nonprofit-tribal partnerships are engaged in visionary, collaborative planning and implementation efforts which foster economic growth and stability, while respecting the values of Montanans. The private sector, community development organizations, supporting public agencies and the nonprofit sector are working as a team, tapping limited resources more effectively through their strategic, collaborative efforts.

Support. Sufficient financial and technical assistance are available from various sources to support effective tourism marketing/research, management of natural/historic/cultural assets, and business development. Tourism is integrated into Montana's education and workforce training systems. Stable funding sources that do not diminish tourism marketing funds are available to develop and maintain infrastructure for tourism and recreation needs.

Respect. Tourism is recognized as an essential element of Montana's economy. It is appreciated by Montana citizens and elected officials for its financial and social contributions to the State. The Lewis & Clark Bicentennial Commemoration has concluded successfully, leaving important lasting legacies for Montana residents, as well as continuing opportunities for businesses and visitors.

Accountability. A comprehensive evaluation system is being used to measure the success and the impacts of tourism development and marketing, consistent with the strategic goals and objectives. Information about visitation trends, impacts and visitor research are widely distributed to provide businesses and agencies the information they need to make good management decisions, and to be responsive to changing customer tastes and preferences.

B. Guiding Principles

There are many ways to “do” tourism. Across the board, Montana businesses, citizens and stakeholder groups who participated in the planning process expressed that tourism in Montana should be a high quality experience which respects and celebrates Montana’s unique heritage and character, not a “tacky tourist trap.” They also want tourism to be sustainable: tourism should contribute to the economy without sacrificing long-term benefits for short-term profits. Tourists should not degrade the state’s extraordinary natural, historic and cultural assets.

Therefore, the Montana Tourism & Recreation Strategic Plan is guided by the following six principles. These guiding principles reflect the values, or “moral compass,” expressed by Montana citizens in the public meetings, online survey, and other outreach efforts conducted by the planning team. They are the criteria against which tourism and recreation strategies will be evaluated and prioritized. In brief, all programming and actions should adhere to these guiding principles.

- ♦ Serve the needs of Montanans first: retain Montana’s character, sense of place and assets while providing economic benefits for citizens and businesses
- ♦ Manage for sustainable, high-quality visitor experiences: practice good stewardship
- ♦ Maximize economic and social benefits by targeting high-value, low impact visitors
- ♦ Retain local control of decision-making about types and quantities of visitors to invite
- ♦ Respect diverse needs, perspectives and concerns in tourism planning and promotion
- ♦ Collaborate to resolve issues through positive, inclusive, solutions-based processes

If tourism and recreation planners, marketers and stakeholders adhere to these principles as they implement strategic actions over the next five years and beyond, Montana can achieve the vision for tourism outlined in the previous section.

“We need to capitalize on present as well as historic attractions - we should not become a “tourist trap,” i.e. building things for tourism’s sake only. Plan ahead to conserve our culture while offering hospitality.”

- Public meeting participant

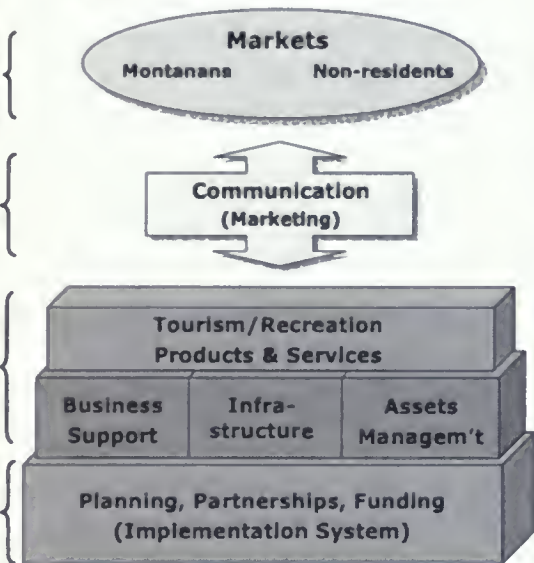


Moss Mansion

Guiding Principles for Strategic Plan

- Serve Montanans’ needs first
- Manage for sustainability
- Maximize economic & social benefits
- Retain local control
- Respect diverse needs & perspectives
- Collaborate to resolve issues

Fig. 4.1: Market-Driven Approach



Notes:

Infrastructure refers to tourism-related facilities, signs, visitor centers, transportation, utilities, etc.

Assets Management refers to sustainable management of Montana's natural, historic and cultural assets.

C. Market-Driven Approach

The strategic approach for the Montana Tourism & Recreation Strategic Plan is *market-driven*, as depicted in Figure 4.1. Tourism planning, development and promotion must meet the needs of both Montanans and nonresident visitors within the context of the guiding principles.

In figure 4.1, Montanans and nonresidents are the markets, or "Demand". The product, or "Supply", is the tourism and recreation products and services offered or managed by the public, private and nonprofit sectors (parks, forests, hotels, restaurants, tours, events, airlines, museums, etc.). The quality and success of the product depends upon the building blocks of effective business support services (technical, financial), adequate infrastructure to support tourism and recreation (transportation, signs, restrooms, telecommunications services, etc.), and balanced management of Montana's natural, historic, and cultural assets. The "Foundation" of the system is effective, informed planning and partnerships, with adequate funding for implementation.

The link between Supply and Demand is communication: marketing, promotion and public relations. In order to achieve the tourism vision, communications must be strategic, targeting high-value, low-impact visitors as defined in the Target Markets section of Chapter 3.

"I wish Montana could be seen/presented as a progressive place with a balance between history, the Wild West, home to Native peoples and a place where educated successful people can find mental & physical relaxation and rejuvenation."

- Public meeting participant



Amtrak Station

D. Strategic Goals

There are seven broad goals toward which action will be focused to attain the vision for 2007:

1. Enhance awareness and support for tourism and recreation among Montana citizens and elected officials, including additional funding sources to support sustainable tourism.
2. Increase four-season tourism revenues in all regions of the state, through enhancement of products/services that focus on high-value, low-impact visitors, especially heritage and cultural tourists.
3. Implement a more coordinated, proactive system to manage, enhance and protect Montana's natural, historical and cultural assets with balanced, sustainable levels of resident and nonresident visitor use.
4. Improve and maintain tourism and recreation infrastructure to support high quality resident and nonresident visitor experiences.
5. Nurture desirable business growth and diversification in the tourism and recreation industry through business support services and technical assistance.
6. Communicate with the markets through highly targeted promotions that increase awareness and attract desirable tourists; measure, track and evaluate tourism results and trends.
7. Build an effective tourism and recreation "team" to facilitate partnerships, share information and leverage funding/technical resources in order to realize the vision for 2007.

The next two sections describe a strategic framework and organizational system that provides the structure to achieve the seven goals. Chapter 5 provides details about specific objectives and actions required to accomplish them. Chapter 6 describes a step-by-step implementation program, including timeline, responsible organizations and potential resources to pay for actions.

Tourism Strategic Goals

1. Enhance awareness & support for tourism, including funding.
2. Increase 4-season benefits in all regions, enhance products/services.
3. Implemented system to manage & protect assets w/ sustainable use.
4. Enhance & maintain infrastructure.
5. Provide business support services.
6. Communicate with markets, track & evaluate results.
7. Build an effective team, partnerships to realize vision for 2007.

"Tourism' should be a respected and understood industry by all Montana citizens, not just the motels, B&Bs, restaurants, convenience stores and gas stations. The economic importance of tourism should be well publicized and explained to all sectors of Montana. Tourism funds schools, cities, all tax supported government activities. Employees of these entities have to understand where the money comes from and welcome it."

- Public meeting participant



Strategic Framework Elements

• Managing Information:

- Awareness-building/lodging tax
- Promotion, public relations, packaging
- Tracking & research
- Info-sharing: collect/disseminate

• Managing (Use of) Assets:

- Balance between asset protection & visitor/business needs
- Access to public/private lands
- Transportation system & signs
- Good stewardship of natural/historic/cultural assets, limits
- Visitor information/interpretation
- Enhanced communities, facilities

• Creating Teams:

- Linkages between agriculture & tourism
- Partnerships to address asset mgmt
- Business assistance
- Entrepreneurial opportunities
- Enhanced "edu-structure"
- Funding partnerships/other sources
- Effective Plan implementation

E. Strategic Framework has 3 Elements: Information, Assets & Teams

To accomplish the strategic goals, the planning team worked with Montana's tourism and recreation stakeholders to identify specific objectives and actions. The seven goals originally generated forty-two objectives and one hundred and fifty specific actions. Those objectives and actions were then prioritized, consolidated and grouped into three key elements that make up the strategic framework:

1. Managing Information
2. Managing (the Use of) Assets
3. Creating Teams

Managing information means the collection and dissemination of strategic information, including actions to address visitor information/interpretation, promotion/public relations, tracking of results, research, awareness-building and information-sharing/exchange.

Managing the use of assets means assuring sustainability through actions that address Montana's transportation system, access to public/private lands and waters, balance between asset protection and business development, good stewardship of natural/historic/cultural assets through reasonable limits, entrepreneurial opportunities, enhancing communities/local facilities, and developing new products/services to meet the needs of targeted markets. As visitation, or use, increases, the level of management also must increase ("the more guests you have in your home, the more you must vacuum the carpet").

Creating teams means building partnerships to implement actions that address continued/enhanced funding through the lodging tax and other sources, coordination among agencies, business assistance, and enhancing Montana's "edu-structure" to support tourism. The key to effective implementation of the Strategic Plan actions is to build stronger collaborative teams at the state and regional levels between private, public, tribal and nonprofit sector partners.

The next section discusses how those teams will be formed or enhanced, along with their roles and relationships.

F. Organization and Roles

F.1 Enhanced Teams are Needed at the State and Regional Levels to Achieve Goals

Montana's tourism promotion and development program has been highly successful and is the envy of many other states. As described in Chapter 2, growth in tourism over the past decade has been extraordinary. However, some of the growth has produced challenges for managers of major attractions, and for Montanans who are accustomed to having their state's assets "all to themselves." Moreover, as described in Chapter 3, markets are changing, and some of those changes require new approaches to respond effectively to market needs.

During the past decade, Montana's lead tourism players at the state and regional levels have focused primarily on promotion activities – building Montana's image and "getting the word out" beyond the state's borders. Their successes are evidenced by the numbers. In order to be responsive to the *future* needs of Montanans, and to changing markets, a broader, more collaborative role is needed in the next five years. Effective implementation of this Strategic Plan – to best serve the customer and the tourism industry (private, public, tribal and nonprofit stakeholders) – requires enhanced partnerships and teams.

Tourism is an important economic development strategy for Montana, yet too often, there is little communication or collaboration between state/regional tourism organizations and representatives from other economic sectors (agriculture, ranching, mining, technology, manufacturing, conservation, the arts). Many economic development professionals have limited knowledge about tourism and its current or potential benefits to communities. At the local level, regional tourism organizations have not been strong "players" or facilitators for tourism's role in regional/local planning and economic development efforts. So, often there is no "voice" for tourism in economic development - *tourism is not a partner* – and therefore is ignored. This lack of awareness about tourism has implications in the political arena, when public policy and funding decisions are made.

Therefore, it is important to create enhanced partnerships and teams both at the state and the regional levels. At the state level, the Montana Department of Commerce (DOC) Promotion Division (Travel Montana, or TM) is the lead agency (Figure 4.2). Key partners include the Tourism Advisory Council (TAC), Legislature, Tourism Regions, Convention & Visitors Bureaus (CVBs), University of Montana Institute of Tourism and Recreation Research (ITRR), the Montana Tourism & Recreation Initiative (MTRI, a state and federal

Fig. 4.2: State Level Team*



* DOC = MT Dept. of Commerce; TM = Travel Montana; TAC = Tourism Advisory Council; CVBs = Convention & Visitors Bureaus; MTRI = MT Tourism & Recreation Initiative (inter-agency planning group including TM; FWP; MDT; MHS; MLCBC; HPDC; DNRC; MT Arts Council; TAC; U of MT; MSU; USFS; BLM; USFWS; COE; NPS; BOR; BIA); MTTA = MT Tribal Tourism Alliance; MTC = MT Tourism Coalition.

Fig. 4.3: Regional Level Team





State Capitol, Helena

inter-agency planning group), the Montana Tribal Tourism Alliance (MTTA) and Montana Tourism Coalition (MTC, a private-sector coalition). Implementation of the strategic actions described in Chapter 5 will require that this state-level team be expanded to include agencies and organizations who traditionally have not been involved in tourism (see next section).

At the regional level, the Tourism Regions are the lead entity (Figure 4.3, previous page). Key partners include CVBs, chambers of commerce, businesses, cities, counties, local agency offices, tribes and nonprofit organizations (museums, cultural groups, events, etc.). At this level, too, the cast of characters needs to broaden in order to implement strategic actions.

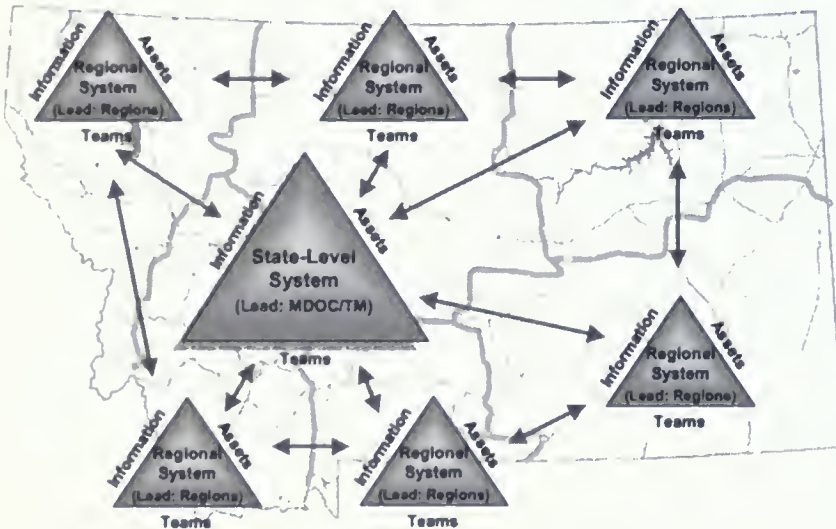
F.2 Many Players & Stakeholders Have Important Roles in the Strategic Plan

The state and regional tourism management teams described in the previous section are the "core team" of players in the statewide tourism management network. But others need to be part of the process for the strategic goals to be achieved successfully. Each of these teams must expand their "rosters" and create a network that includes a state-level system of implementation partnerships, and six regional-level systems of implementation partnerships (Figure 4.4). Consistent cooperation and expanded collaboration among these entities, operating as a team, will ensure that the Strategic Plan does not just sit on a shelf.

At the state level, key partners outside the "core team" who need to be involved include other state and federal agencies, tribal representatives, legislative leadership or committee staff, statewide business trade associations, statewide economic development agencies and programs, statewide arts/cultural/historic organizations, and statewide wildlife/sportsmen's/conservation groups.

Sidebar 4.1 on page 80 lists many of the public, private and nonprofit tourism stakeholder groups. Not every organization listed will be involved in every tourism-related action, but specific statewide actions will require collaboration with specific groups on a "big picture," broad policy level. Once "big picture" direction is established at the state level, much of the actual implementation will happen both at the state and regional levels.

Fig. 4.4: Statewide Tourism Management Network



"Long range regional/county/ community planning needs coordination on overlapping issues."

- Public meeting participant

At the regional level, key partners outside the “core team” who need to be involved include the following:

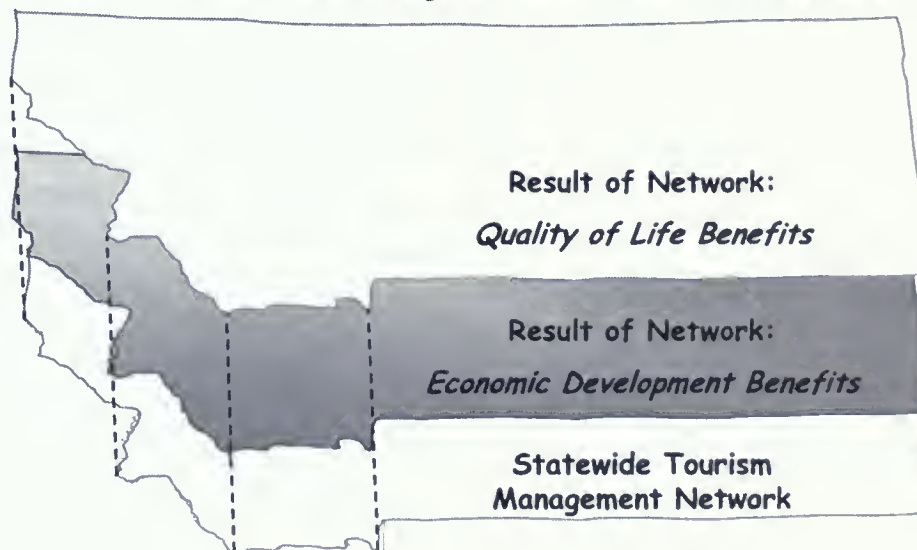
- ♦ Local elected officials
- ♦ Tribal representatives, tribal colleges
- ♦ Local staff for state/federal agencies
- ♦ Local & regional economic development organizations
- ♦ Lewis & Clark Bicentennial groups
- ♦ Local sportsmen’s organizations
- ♦ Local conservation organizations
- ♦ Local schools/youth
- ♦ Special interest groups (bicycle clubs, etc.)
- ♦ Interested citizens

If representatives from these various stakeholder groups participate in planning and implementation of specific actions identified in this Strategic Plan, the vision and goals identified by Montana citizens can be realized successfully. The anticipated results will be significant economic development benefits, and enhanced quality of life benefits, for all Montanans (Figure 4.6).



State Capitol

Fig. 4.5: Statewide Tourism Management Network and Its Residual Benefits



The Benefits of an Enhanced Statewide Tourism Management Network

Figure 4.6 at right shows the statewide tourism management network described in this chapter, plus two “overlays” of benefits. Successful implementation of this enhanced tourism management network will result in achievement of the vision for tourism and recreation in 2007, in the context of the guiding principles. It also will provide economic development and quality of life benefits for all Montanans.

Sidebar 4.1: Montana Tourism & Recreation Stakeholder Groups

Blackfeet Tribe	Montana Campground Owners Association	Montana Tourism Coalition (MTC)
Bureau of Land Management (BLM)	MT Dept. of Agriculture (DOAg)	Montana Tourism & Recreation Initiative (MTRI)
Bureau of Reclamation (BOR)	MT Dept. of Commerce (DOC):	Montana Tribal Tourism Alliance (MTTA)
Chambers of Commerce (CC)	- Promotion Division	Montana Wilderness Association
Clark Fork Coalition	- Business Resources Division	Montana Wildlife Federation
Convention & Visitors Bureaus (CVBs)	MT Dept. of Fish, Wildlife & Parks (FWP)	Montana Wildlife Society
Custer Country	MT Dept. of Labor & Industry (DLI)	Montana/Wyoming Tribal Leaders Council
Ducks Unlimited	MT Dept. of Natural Resources/Conservation	National Park Service (NPS)
Fishing Outfitters Assn. of Montana (FOAM)	MT Dept. of Revenue (DOR)	National Parks Conservation Assn.
Flathead Valley Community College	MT Dept. of Transportation (MDT)	Peoples Center (Flathead Reservation)
Ft. Peck Reservation	MT Economic Developers Assn. (MEDA)	Predator Conservation Alliance
Ft. Belknap Reservation	Montana Education Association	Rocky Boys Reservation
Glacier Country	Montana Fish & Wildlife Commission	Rocky Mountain Elk Foundation (RMEF)
Gold West Country	Montana Governor's Office of Economic Oppt'y	Russell Country
Greater Yellowstone Coalition	Montana Grain Growers Association	Salish/Kootenai Tribes
Grown in Montana	Montana Heritage Commission	Small Business Development Centers (SBDC)
L&C Bicentennial Commission	Montana Historical Society (MHS)	State Historic Preservation Office (SHPO)
- State Commission	Montana Innkeepers Assn. (MIKA)	Tour Operators (Off the Beaten Path, etc.)
- Regional Bicentennial Commissions	Montana League of Cities & Towns (MLCT)	Tourism Advisory Council (TAC)
L&C Trail Heritage Foundation Chapters	Montana Legislature – Committee staff	Transportation Carriers (Air, Rail, Bus, Car Rental)
Little Shell Tribe	Montana Office of Public Education	Tribal Colleges
Made in Montana	Montana Outfitters & Guides Assn. (MOGA)	Trout Unlimited
Missoula Cultural Council	Montana Ranch Vacation Association	University of Montana
Missouri River Country	Montana Recreation & Parks Assn. (MRPA)	- Institute for Tourism & Rec'n Research
MT Agricultural Business Assn. (MABA)	Montana Restaurant Association	- Bureau of Business & Economic Research
Montana Arts Council (MAC)	Montana Retail Association	U.S. Army Corps of Engineers (COE)
Montana Assn. of Counties (MACo)	Montana Rural Development Partners	U.S.D.A. Forest Service (USFS)
Montana B&B Association	Montana Shares	U.S.D.A. Rural Development (RD)
Montana Beef Commission	Montana Ski Areas Association	U.S. Economic Development Admin. (EDA)
Montana Community Foundation	Montana Snowmobile Association	U.S. Fish & Wildlife Service (USFWS)
Montana Board of Outfitters (Licensing)	Montana State University/Extension Service	Walleyes Unlimited
Montana Bowhunters Association	Montana Stock Growers	Yellowstone Country

Tourism and recreation in Montana has experienced extraordinary growth and success over the past decade. Led by the Montana Department of Commerce Promotion Division (Travel Montana), the Tourism Advisory Council and the Montana Tourism & Recreation Initiative (MTRI), many of the objectives and actions outlined in the previous two strategic plans have been thoughtfully initiated. Implementation has been successful in many areas, and should be continued. Tourism is a significant contributor to economic development and jobs in Montana. However, tourism and recreation also face a number of challenges and threats which must be addressed to ensure that the industry is sustainable, and consistent with the values of Montanans.

As discussed in Chapters 2 and 3, Montana's economic and environmental conditions, and resident and nonresident markets, are changing. The objectives and actions described in this chapter are designed to be *market-driven*: to respond to the needs, priorities and trends of current and potential customers (Montanans and non-resident visitors), to address challenges, and to minimize threats.

This chapter includes objectives, and actions to achieve them, in order to realize the vision for 2007. During the next five years, changes in "Demand" by resident and non-resident markets will necessitate adjustments and modifications to stakeholders' management of:

- Information collection/dissemination/exchange, and promotion/marketing emphasis
- Sustainable management of natural/historic/cultural assets and infrastructure
- Collaborative partnerships (teams) for effective planning and implementation

Due to the large number of objectives and actions, the planning team has organized them into the three elements of the strategic framework: Managing Information, Managing the Use of Assets, and Creating Teams. Actions which are ongoing from current or previous efforts are mentioned in introductory text, and only new or expanded actions or initiatives are identified with specific action numbers. Key acronyms are listed at the bottom of each set of facing pages. Other acronyms are listed in Appendix A. Each objective includes a list of ways to measure the results, or progress, of implementation. Additional details about implementation, including a timeline, responsible partners and potential resources to pay for implementation, follow in Chapter 6.

Chapter 5:

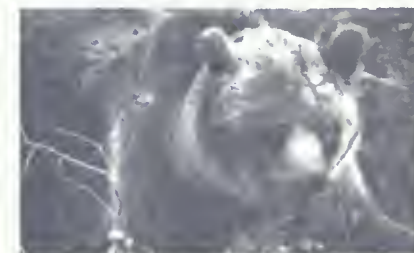
Priority Objectives & Actions to Achieve Them

- A. Managing Information
- B. Managing (Use of) Assets
- C. Creating Teams



"Behold the turtle. He makes progress only when he sticks his neck out."

- James Bryant Conant



A. Managing Information

Information is power. Effective planning and decision-making require information. Successful business and recreation development requires information. The ability to balance sustainable use of natural/historic/cultural resources with protection of those assets requires information. Bad or incomplete information results in bad decisions, and bad development. Nationally and internationally, tourism and recreation are changing fast. The ability to respond to market changes requires information. Failure to respond to markets results in failed businesses and failed public facilities. Public policy decisions require information. Incomplete information results in bad public policy. Therefore, information – good information – is essential to the success of tourism and recreation in Montana. The following objectives and actions are designed to create an effective system of information collection and dissemination, in order to support good decisions, effective management, targeted promotion and rational public policy for tourism and recreation from 2003 to 2007 and beyond.

A. Managing Information

- A.1 Maintain Lodging Tax through Awareness of Its Uses, Benefits
- A.2 Conduct Strategic Promotions
- A.3 Create New Products through Packaging
- A.4 Create New "Destinations" through Special Designations & Events
- A.5 Enhance Winter Products/Services
- A.6 Attract More Meetings/Conventions
- A.7 Enhance System of Tracking, Analysis & Info Dissemination
- A.8 Create System to Share Information & Resources

Information, n.

1. knowledge communicated or received concerning a particular fact.
2. knowledge gained through study, research, etc.
3. computer data at any stage of processing.

Source: Webster's

A.1 Objective: Maintain the Lodging Tax for Tourism Promotion & Development through Enhanced Awareness of Its Uses, and Tourism's Benefits & Impacts

Montana's tourism promotion program is being outspent up to 10-to-1 by other states. If Montana is to maintain its market share in tourism – and attract high-value, low impact visitors, especially during off-peak seasons – it must maximize the amount of its lodging tax dollars spent on promotion, and leverage those dollars with other partners.

Tourism and recreation are "new" as a major economic force in Montana, compared to "traditional" economic sectors like agriculture, ranching, forestry and mining. Many citizens and elected officials are unfamiliar with state/national tourism issues and trends, and with the current uses of Montana's lodging tax. As discussed in Chapter 2, the lodging tax is similar to an agricultural commodity "check-off" program, providing funds for tourism marketing, research and industry/consumer education. Prior to 1987, tourism efforts were funded through the State General Fund. The lodging tax has provided resources for economic development and state promotion through tourism, without the use of General Fund revenues.

Resident attitude and opinion research indicates that while most Montanans recognize the value of tourism to the state's economy, they are unsure about tourism's benefits and impacts on their community and quality of life. It is appropriate to inform Montanans about

Additional sources of funding are needed to address tourism facility and service needs, so that promotion dollars are not hemorrhaged to the point of ineffectiveness.

tourism's impacts – and to build awareness of how their concerns about tourism are being addressed. In spring and summer of 2002, the Department of Commerce ran public service announcements called *"Tourism: Good for Montanans-Good for Montana."* It is important to measure the results of these efforts to determine whether awareness or opinions have changed.

Citizen involvement in tourism should be encouraged through programs like the Invite-A-Friend campaign, particularly targeting specific seasons, packages, activities or regions of the state. Efforts also should continue to encourage Montanans to be their own best customers by spending their money at home and "exploring their backyard."

Action A.1.1: Build Citizen Awareness about the Benefits/Impacts of Tourism & Uses of Lodging Tax

Distribute information about the uses of lodging tax and benefits/impacts of tourism through printed material, press releases, tourism listserv (Action A.8.1), Extension Service, economic development groups, schools, etc. Emphasize issues identified in citizen opinion research, and how concerns are being addressed. Show direct benefits to residents (e.g., jobs, taxes, support for State Parks).

Plan and promote National Tourism Week activities statewide, along with other local/regional events to build citizen awareness of tourism. Send media releases about activities to local/regional media. Distribute accurate information about trends of nonresident sportsmen (e.g., number/economic impact of resident vs. nonresident hunting and fishing licenses sold) and funding needed for asset management. Responsibility: DOC, TR, CVB, FWP, Ext, BTA, Biz, Ad, NPO, MTC, ITRR, MTTA

Action A.1.2: Build Awareness among Elected Officials about Tourism's Impacts & Benefits

Provide reliable tourism and economic data to local chambers of commerce and organization leaders to share with members, constituents and elected officials. Send e-mail press releases to elected officials. Host a panel discussion or presentation about key tourism issues/trends at annual meetings of Montana Assn. of Counties and Montana League of Cities and Towns; listen to and discuss concerns related to impacts of tourism, Lewis & Clark Bicentennial, etc., and seek creative/collaborative ways to address them. At the local level, present information about tourism to meetings of city/county officials.

Invite local and state elected officials to participate in educational events, such as tours, National Tourism Week events, press conferences and seminars, workshops or public meetings related to tourism and recreation. Continue to invite them to Tourism Advisory Council meetings, and include officials on mail/e-mail lists of tourism regions, so they are aware of tourism and recreation issues, activities and accomplishments within their constituency area. Continue to sponsor a Tourism Day at the Legislature, with follow-up questions of participating legislators to determine impact of event on their awareness of tourism issues. Responsibility: TR, CVB, DOC, TAC, MTC, BTA, MTRI, NPO, MTTA

"We need to get Montanans to visit other areas of the state. A visit-your-neighbor program would be great and could be used to enhance our off season."

- Online Survey Participant

"Leadership is an action, not a word."

- Richard P. Cooley

"Enhanced awareness is very important in order to maintain and grow the support necessary for the tourism industry. A thorough understanding about the impacts, benefits and fragility of the industry is the most secure way of insuring the sustainability."

- Online Survey Participant

Action A.1.3: Seek Endorsements from Communities & "Non-Tourism" Organizations

"It seems as though a blanket attitude that tourism is somehow a panacea for the state's historic economic doldrums is implicit in the question. The public education component needs to address the adverse effects of tourism as well as the benefits. Can we maintain those values and qualities of life we cherish, while promoting tourism?"

- Online Survey Participant

Share information about tourism's benefits, linkages and impacts with other economic and social sectors (agriculture, ranching, forestry, high-tech, retail, sportsmen, conservation). Obtain written endorsements supporting this Strategic Plan, and tourism's economic role, from communities and organizations such as transportation/freight carriers, food processors/ suppliers, retailers, manufacturers, wholesalers, agri-business and arts/cultural, sportsmen and conservation groups. Use endorsements to strengthen support for Strategic Plan implementation among elected officials. Responsibility: MTC

Measures of Success for Objective A.1:

- Results of resident attitude/opinion research about tourism
- Number of tourism awareness programs/events held for citizens
- Number of Invite-A-Friend packets ordered
- Number of endorsements obtained from communities, organizations, businesses
- Number of contacts/invitations sent to elected officials
- Attendance of elected officials at educational events
- Number of presentations to gatherings of officials
- Number of responses from officials about tourism's economic/social benefits & impacts

A.2 Objective: Conduct Strategic Promotions that Attract Top Priority Markets

Chapter 3 highlighted national/state tourism trends, changes in markets, and top priority targets for 2003-2007, based on Montana's assets, opportunities and challenges. To respond to changing markets, Montana should continue to highlight its outstanding natural assets, while also ensuring that its culture, history and "creature comforts" are depicted (dining, shopping, architecture, wine-with-a-cork and fun for the whole family). Additionally, Montana should be depicted as a safe destination, with accommodations, entertainment and amenities that range from "rustic" to "luxury."

Promotion efforts led by the Department of Commerce have been highly successful over the past decade, as measured by conversion research and increases in visitation. State and regional image advertising should continue, with emphasis on advertising images and messages that target high-value, low-impact visitors such as heritage/cultural travelers, conventions, matures and families. Major attractions such as national parks need to develop "fresh" packaging and marketing to attract visitors who have "been there, done that."

New travel markets should be penetrated using image advertising and publicity to generate interest. Once a potential traveler is “hooked,” they will consult the Internet, AAA, travel guides and other sources for detailed information. High-impact print image ads can be cooperative efforts without becoming unsightly classified-ad style “logo competitions.” Multi-page advertorials that appear as travel articles are highly effective for new markets.

Montana has outstanding travel web sites for which they have received national recognition – and, more importantly, high ratings from visitors. Regional and local tourism web sites also are critical to tourism promotion, and could be enhanced with “one-click” vacation packages, and/or links to sites with low-cost airfares and booking capability. Focus groups and conversion research can help determine which aspects of web sites are most useful/desirable (or not), and how designs can be enhanced to best serve travelers.

Montana has obtained extraordinary amounts of publicity from feature films (*A River Runs Through It*, *Horse Whisperer*, etc.) and media stories. Not all publicity has been positive (fires of 2000, drought), but negative stories are short-lived once they leave the headlines. The Montana Film Office maintains a web site, www.montanafilm.com, and an excellent Montana Film Location Guide. However, increasing competition and film production incentives from Canada and other states have cost Montana business in the film industry.

The state tourism web site (www.visitmt.com) includes a “Top Stories” section with current news features about destinations across the state. Montana’s media relations program should be highly aggressive, identifying and targeting journalists/media that produce features for top priority markets; and regularly send them story ideas, press releases and media clips.

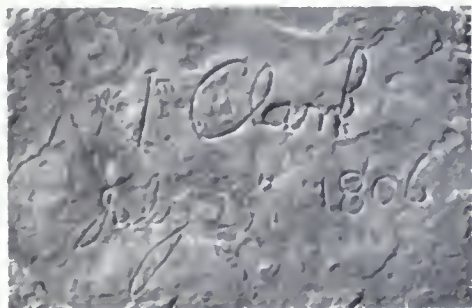
Many mature travelers prefer to travel with organized group tours, leaving the hassles of logistics and transportation to someone else. Montana promotes to the group market via online and hard copy group tour planning guides (www.montanagroups.com), familiarization (“fam”) tours, trade events, cooperative advertising and direct mail campaigns.

International travelers, particularly Europeans, are attracted to Montana’s scenic beauty, national parks, western heritage, outdoor recreation and legendary images of cowboys and Indians. In Summer 2001 alone, more than 170,000 overseas travelers visited Montana. The Department of Commerce participates in a four-state international marketing program, Rocky Mountain International (RMI), which targets western European visitors through promotion to tour wholesalers, travel media, travel agents and Internet consumers. Montana also promotes tourism through its international trade programs in Japan, Taiwan, China and Canada.



Grand Canyon, Yellowstone NP

Publicity is the least expensive and most effective form of advertising, next to word of mouth.



William Clark Signature at Pompeys Pillar

The Department of Commerce and the regions/CVBs should continue to host seasonal "fam" tours and site visits for targeted media, group tour and international representatives, highlighting specific destinations/seasons/packages that Montana desires to showcase to build high-value, low impact tourism. Efforts to capitalize on opportunities for multi-state or cross-border promotion efforts (Rocky Mountain International trade events and promotions, Lewis & Clark events/marketing, Sled the Rockies, etc.) also should continue, as appropriate.

Action A.2.1: Coordinate Advertising to Maximize State, Regional & Private Return on Investment

Plan state and regional advertising campaigns to coordinate with each other, and with private sector partners (when targeting similar geographic or demographic markets), in order to gain better space rates, larger impact and higher return on investment. Use strategies like travel advertorials to penetrate new markets. Responsibility: Ad, DOC, TR, CVB, Biz, Attn

Action A.2.2: Encourage Cross-Promotion between Tourism Partners & Sectors

Encourage businesses, attractions and events to cross-promote each other, through packaging, "fam" tours (of media, front-line staff), brochure exchanges, etc. Seek opportunities for cross-promotion between tourism/recreation and other Montana trade groups, corporations and/or products (Montana Beef Commission, Made-in-Montana). Responsibility: DOC, Ad, DOAg, NPO, TR, BTA, Trb, Biz

Action A.2.3: Consider Options for Film Production Incentives

Prepare a report, with input from regions, CVBs, agencies and businesses, comparing film production incentives offered by other states and provinces, with recommendations about potential incentives that Montana might offer. Forward the report with an advisory policy recommendation to the appropriate entity(s). Responsibility: DOC, TAC, TR, CVB, Biz

Action A.2.4: Plan for Promotion of Special Events & Challenges

Capitalize on the Lewis & Clark Bicentennial's Signature Events and Corps of Discovery II with "add-on's" and incentives that encourage Bicentennial travelers to visit other parts of the state. Work with the National Park Service and communities/businesses/tribes surrounding Glacier Park to develop packages and promotion plans that will encourage travelers to visit during reconstruction of Going-to-the-Sun Road. Address other special events and challenges (e.g., fires) as they arise. Responsibility: DOC, MLCBC, TR, CVB, NPS, Biz, Ad, FWP

Measures of Success for Objective A.2:

- Number of cooperative promotions created
- Overall visitation numbers from targeted markets, seasons, etc.
- Conversion rates of advertising placements and web site visitors
- Satisfaction levels of web site and vacation guide users
- Results achieved by publicity efforts (gross impressions, column inches, dollar value, etc.)
- Number of “fam” tours/site visits hosted, results in terms of media/bookings generated
- Number of group tour and international bookings (through tour operators)
- Continued enhancements to film/media web sites, traffic generated & results
- Recommendations of film incentive report, and results
- Success of L&C packages and incentives, esp. to spread visitors around the state

A.3 Objective: Create New Tourism & Recreation Products through Packaging

Convenience sells. Consumers are looking for special packages and deals. Montana provides extraordinary variety and myriad opportunities for packaging of destinations and experiences into “one-call, all-inclusive” packages. Tourism regions and CVBs can assist businesses and attractions in working together to develop and market packages, perhaps by linking them with online travel services or travel agents to handle the booking and payment distribution logistics. In other states, tourism regions receive a percentage of the package booking price in exchange for their efforts to coordinate and market the packages. Weekend getaway packages are attractive to nearby markets (Boise, Denver, Salt Lake City, Portland, Seattle, Spokane, Minneapolis, Vancouver, Calgary and Regina). These markets contain 500,000 – 2,300,000 people, many of whom seek opportunities for short getaways (3-5 days).

Action A.3.1: Assess Potential for Local/Regional Packages, & Coordinate Suppliers

Identify opportunities to package attractions, accommodations, activities, events, meals and transportation, focusing on market needs, and on places or times of the year when additional business is needed (e.g., shoulder season weekends). Assess feasibility of marketing the packages to targeted high-value customer segments (matures, couples, nearby markets, cultural travelers, skiers, families, Canadians, etc.). Meet with potential suppliers (attractions, hotels, event planners, nonprofit organizations, etc.) to develop concepts, themes, guided tours, dates and marketing strategies. Coordinate development of packages, and logistics for booking/promotion (state/regional web sites, emailings, ads, Travelocity, etc.). Be creative with unconventional pairings of attractions (“dinosaurs and

Packaging Tourism & Recreation Products

- Identify opportunities
- Assess feasibility
- Gather potential suppliers
- Coordinate development of packages & logistics
 - Be creative
 - Focus on off-peak times
- Market & book packages



Outdoor Symphony

"Cultural tourism fits so well into the four-season visitor mode."

- Public Comment on Draft Plan

dining," "skiing and symphony"). Develop pre-planned, age-appropriate activities for kids as part of family camps or packages. Responsibilities: TR, CVB, Biz, Attn, NPO, DOC, Trb

Action A.3.2: Promote Off-Peak Weekend Getaway Packages/Events to "Nearby" Markets

Create all-inclusive, flexible packages to attract *specific* traveler segments in nearby metropolitan markets. Work with airlines and rail carriers that offer direct routes from these markets to develop packages with transportation (e.g., United Vacations, Alaska Airlines Vacations/Specials, etc.). Responsibility: TR, Biz, CVB, DOC

Action A.3.3: Capture More Pass-Through Travelers with Mini-Packages

Entice pass-through travelers to stop and spend more time in an area with mini-packages (for example, a "one price" all-day pass for the Great Falls Tour Trolley, Lewis & Clark Interpretive Center, C.M. Russell Museum, Children's Museum of Montana and High Plains Heritage Center, including lunch and shopping coupons). Promote mini-packages through VICs, attractions, brochure racks, regional guides/web sites and businesses. Responsibility: Biz, CVB, Attn, TR, DOC, Trb, CC

Measures of Success for Objective A.3:

- Visitation numbers at major destinations/attractions in Montana
- Conversion rates of visitors who request package information
- Changes in spending per visitor and spending per trip
- Number of weekend packages booked
- Number of specialty/niche/mini-package itineraries created and booked

A.4 Objective: Create New "Destinations" with Special Designations & Events

A "Destination" can be a specific site, attraction or community, or it can be a group of attractions, events and communities, such as a scenic byway, historic trail, loop tour or cultural corridor. A common trait of states who are Montana's major competitors (Chapter 3, Section D.1) is their systems of scenic/historic/backcountry/tribal byways, scenic drives, loop tours, historic trails, heritage/cultural corridors and other special designations (e.g., U.S. 12 in Idaho – the Lewis & Clark Trail corridor – recently was designated as a National Scenic Byway). These special designations are highlighted on state/national maps (AAA, Rand McNalley), in travel articles/features, and they provide "destinations" for travelers seeking something special.

In Montana, Going-to-the-Sun Road and Beartooth Highway are such destinations, consistently named among the top scenic drives in the nation. Additionally, four cultural corridors in western Montana recently were created with Missoula as the "gateway" city, and will be promoted with CD ROMs, website and print materials (an effort funded by the Dept. of Commerce, Glacier Country, the U.S. Forest Service, Montana Arts Council, etc.). Montana's 2,000 miles of the Lewis & Clark Trail provide great potential for creation of sub-corridors and linkages between cultural and natural attractions.

Major events can be "destinations" (e.g., the Olympics, NASCAR races, PGA Tournaments, etc.). National and international sports competitions provide opportunities for specific locations in Montana to be highlighted and increase visitation, whether the competitions take place in college/university stadiums, community bowling alleys, championship golf courses, city streets, lakes, general aviation airports or ski resorts. Events like road or mountain bike races, golf tournaments, soaring competitions, iron man/woman, ski races, professional rodeo and others draw visitors from across the state and country to specific locations at targeted times of the year.

Action A.4.1: Work with MDT & Legislature to Implement Montana Scenic/Historic Byway Program

Encourage MDT and the Montana Legislature to implement the Montana Byways program, so that highways in Montana can be designated as state scenic/historic byways, and become eligible for federal byways funding for planning, enhancements, improvement projects and marketing. Coordinate the MDT program efforts with the existing U.S. Forest Service National Forest Scenic Highway Program, the Bureau of Land Management Backcountry Byway Program and the proposed Tribal Byways Program. Responsibility: MDT, TR, Trb, NPO, Biz, MHS, CVB, LG, CC, DOC

Action A.4.2: Use Collaborative Efforts to Create Special Designation Areas

Form planning groups along proposed scenic/historic/tribal/backcountry byway corridors and loops to begin the designation process. Focus on communities/regions that desire additional tourism as an economic development strategy, and have the capacity to handle additional traffic without negatively impacting local residents. Seek local public input to establish values and parameters for corridor or byway designation, and respect community heritage and character. Develop byway/corridor plans and marketing strategies. Responsibility: MDT, TR, CC, CVB, DOC, NPO, Trb, LG, Biz

Action A.4.3: Seek Opportunities to Host National/International Sports Competitions

Byways, Corridors & Property Rights

Though some states have taken a regulatory approach to property use and development within designated scenic/historic/backcountry byways or corridors, the federal Byways and Corridors programs actually do not require it.

FHWA allows designation in the context of voluntary guidelines, so that property rights issues are not obstacles to the program. There are several models of successful corridor/byway development using mutually-agreed upon voluntary guidelines which preserve the integrity of the designation, while still allowing reasonable property use and development.

Identify opportunities to utilize existing developed facilities to host sports competitions at times when facilities are underutilized. Examples are college/university stadiums, general aviation airports, rodeo arenas, rural roads/trails, lakes, golf courses, downhill/XC ski facilities, etc. Contact sports associations or federations to explore possibilities for events to be hosted in Montana.

Responsibility: CVB, Biz, TR, DOC, LG

Measures of Success for Objective A.4:

- Implementation of Montana Byways program
- Number of special designation areas created and promoted
- Visitation changes in special designation areas
- Number of sports competitions hosted

A.5 Objective: Enhance Montana's Winter Recreation Products/Services

According to ITRR's 2000-2001 research, winter visitation increased about 5% from 1993 to 2001, including a decline of about 24% from 1993-1998, then recovery/growth of 37% from 1998-2001. The decline corresponded to changes in the value of the Canadian dollar, and the recovery/growth corresponded to new ski resort development in Montana and the increasing popularity of snowmobiling. Montana's winter recreation product continues to diversify with outdoor activities like Winterfests, train rides, ice fishing and boating, and indoor activities like shopping, trade and gun shows, museums, expositions, rodeos, arts events, holiday festivals, bazaars, light shows and parades. The Department of Commerce promotes winter activities via the web (www.wintermt.com), winter travel guides/brochures, a cooperative snowmobile promotion with Wyoming and Idaho called "Sled the Rockies," and advertising.



Discovery Ski Area

Action A.5.1: Refine Montana's Niche in the Destination Ski Market & Snowmobile Markets

Refine Montana's image in the destination ski market versus the competition (Utah, Colorado, Idaho, Canadian Rockies), in the context of desired target markets. If needed, use research (such as focus groups) to determine types and origins of desirable destination skiers most likely to ski in Montana, and to refine the images, messages and packages that most appeal to them. Similarly, determine types and origins of destination snowmobilers most likely to be high-value, low impact visitors, and promote packages that direct them to targeted areas for snowmobiling. Responsibility: DOC, BTA, Ad, Biz

Action A.5.2: Package Skiing & Snowmobiling with Other Activities

Once the ski and snowmobile niches are refined, package skiing and snowmobiling with other activities, depending on the targeted customers (arts/history, events, shopping, kids activities, music festivals, competitions, etc.). Promote packages to bolster business during slow times of year. Responsibility: BTA, TR, CVB, Biz, Attn, NPO

Action A.5.3: Expand "Alternative" Winter Activities

Identify existing and potential opportunities to increase alternative indoor and outdoor activities, such as ice skating/fishing, snowshoeing, dog sledding, hot springs, arts/cultural/historical events and attractions, etc. Package and promote to targeted resident and nonresident markets. Responsibility: TR, CC, CVB, Trb, Biz, Attn, NPO

Measures of Success for Objective A.5:

- ♦ Skier days at Montana's destination resorts
- ♦ Snowmobile visitor days at targeted locations
- ♦ Alternative winter activities/events/packages offered
- ♦ Visitation and hotel sales during winter months

A.6 Objective: Attract More Meetings & Conventions to Montana

Montana has a tremendous variety of meeting and convention facilities, from large convention hotels to small resorts and guest ranches for corporate retreats. Nationally, the average meeting size is about 50 participants, so many communities in Montana are capable of hosting meetings and small conferences. One of Montana's biggest challenges in this market is accessibility: the availability and cost of transportation (air service). This fact cannot be ignored, although once participants arrive, they can experience good value at their destination. Another challenge is a lack of state-of-the-art facilities: corporate meetings often expect broad-band access (at each seat in the meeting room), high-tech audio/visual equipment, video conferencing, etc. These services are not available in most Montana meeting facilities.

Meeting participants like to experience attractions outside the walls of their conference hotel. Variety and creativity are keys to attracting conference attendees and ensuring that they will return. Many associations use annual meetings as fundraising events, so the more interesting the meeting agenda and venues, the more participants they will attract, and the more money they will make. Creative destination packages are attractive to meeting planners.



Absaroka Dog Sledding

Business conference participants are potential targets for business recruitment. If they like the community, they may become interested in expanding their business to Montana.



Convention at West Yellowstone

Moreover, business conference participants are potential targets for business recruitment. If they like the community, they may become interested in expanding their business to Montana.

Montana's meeting promotions, such as the meeting planners' guide and web site (www.montanameetings.com), should be continued, along with targeted, cooperative advertising. Montana needs a strong "presence" at trade events, targeting those events that match Montana's niche in the market. Creative direct mail campaigns, involvement of transportation carriers, and testimonials from previous meeting planners or participants also can help generate additional leads and bookings in Montana.

As the market for *business* meetings and trade shows has softened nationally, competition has increased. Non-business meetings are an attractive alternative, but Montana businesses and marketing organizations like CVBs, chambers and Department of Commerce must work together to successfully gain their share of this lucrative market. Efforts will best succeed with a strong public-private partnership (state, regions, CVBs, businesses and transportation carriers) to promote Montana to the meeting/convention market.

Action A.6.1: Refine Montana's Niche and "Brand" in the Meeting/Convention Market; Determine Feasibility of Enhanced Meeting & Convention Facilities

Conduct research on a sampling of meeting/convention planners to identify relative or perceived strengths and weaknesses of Montana's convention product for different types of groups. Use the results to refine Montana's niche in the meeting/convention market. Then implement consistent and cohesive marketing efforts targeting them, such as direct mail and sales efforts. Based on results of the research, conduct analyses to determine the need for, and feasibility of, expanded/upgraded/new meeting and convention facilities in Montana. Responsibility: CVB, DOC, BTA, Biz, Ad, LG

Action A.6.2: Conduct Training on the Needs & Trends of Meeting/Convention Markets

Educate Montana businesses about the expectations of meeting planners (based on research results), the meeting/convention markets Montana is best suited to serve, and changes/upgrades needed to serve new markets. Expand the "Invite-a-Convention" program to involve citizens, businesses and colleges/universities in identifying convention groups to recruit to Montana. Implement a "Convention Host" training/reward program to encourage participation. Responsibility: CVB, DOC, Biz, BTA, Univ

Action A.6.3: Use Local Historical/Cultural Attractions to Enhance Venue Offerings

Work cooperatively to use local historic/cultural attractions, sites and guided services as interesting venues for meeting and convention receptions/events, and to provide exposure and revenue for those attractions/services. Create annual statewide CVB/venue awards for creativity. Use creative ideas in convention promotions. Responsibility: CVB, TR, Biz, Attn, MAC, MHS, NPO

Measures of Success for Objective A.6:

- ♦ Number of meetings and conventions booked
- ♦ Outcomes of research on meeting/convention market
- ♦ Outcomes of feasibility analyses for expanded/new facilities
- ♦ Number of training programs offered & attendance
- ♦ Number of partnerships with historical/cultural venues initiated
- ♦ Creation of CVB/venue awards program for creativity

A.7 Objective: Enhance System of Tracking, Analysis & Information Dissemination about Tourism Trends, & Implications for Stakeholders

To maximize the return on investment in tourism promotion, it is important to know which are the high-value, low impact visitors, which are not, and how trends have changed over time. Data collection, management and analysis is time-consuming and costly, but it also is extremely critical in deciphering trends, and identifying implications for management and marketing decisions.

The University of Montana's Institute for Tourism & Recreation Research (ITRR) and Bureau of Business & Economic Research (BBER) have conducted numerous studies to measure resident travel habits/spending, nonresident visitation, economic impacts, visitor activities, satisfaction levels and resident attitudes toward visitors on a statewide and regional basis. The research indicated widespread recognition among residents of tourism's important role in Montana's statewide economy. This information is critical to economic development planning and public policy decisions.

Department of Commerce and its ad agency also have conducted conversion research to determine the number and characteristics of visitors who respond to state promotions, and to measure the return on investment of marketing efforts. Many of Montana's attractions and



Gates of the Mountains Boat Tour

"A problem well stated is a problem half solved."

-Charles F. Kettering

"If you don't measure results, you can't tell success from failure. If you can't see success, you can't reward it. If you can't reward success, you're probably rewarding failure."

- David Osborne & Ted Gaebler,
Reinventing Government

Recommendations for Future Research

A significant amount of insightful information can be obtained from the nonresident traveler studies summarized in Chapter 3; however, the following information would be useful for tourism development and promotion decision-making:

- **Age of Travelers:** to distinguish between Gen X, Gen Y, Baby Boomers, Matures, etc.
- **Occupation:** to determine needs/impacts of retirees, professionals, college students, etc.
- **Zip Code:** to determine which major metro areas represent significant markets
- **Land Ownership:** to decipher the number of travelers visiting vacation home property
- **Comparative Value:** to compare spending of visitors from different states, different trip purposes, and different activity interests (e.g., which types and origins of travelers stay the longest, spend the most money)
- **Comparative Interests:** to compare the trip purposes and activities of visitors from various states/provinces (e.g., which activities are of most interest to Californians, vs. Coloradans?)
- **Comparative Impact:** to compare which types & origins of travelers spend a lot of time, but not money - or create impacts on key assets
- **Regional Data in MT:** to determine differences in nonresident traveler types/origins/interests in each of Montana's six tourism regions

Recommendations for Future Research/Analysis:

- Collect information about traveler ages, occupations, zip codes, land ownership in MT
- Collect sufficient sample sizes to analyze comparative spending, interests and impacts of visitors from various states, types, etc.
- Collect sufficient sample sizes to analyze data by tourism region seasonally in Montana

VICs track visitor data, but most do not consistently capture information other than visitor numbers. State-funded VICs track monthly visitor numbers and origins.

Lodging sales and occupancy rates are important measures of tourism trends, and indicators of economic development activity. Lodging sales/tax collections are reported to Montana Department of Revenue, but only on a quarterly basis, so they cannot be analyzed seasonally, or compared to ITRR's tourism trends research.

There is no central "clearing-house" for systematic collection and analysis of data from public/private/nonprofit/tribal sources, and analysis and dissemination of implications for decision-makers. Nor is there a statewide "inventory," or baseline database, of tourism-related accommodations, attractions and infrastructure to track "product inventory." Moreover, consistency is needed in data-gathering methods at Montana's attractions in order to determine trends in numbers, sales, characteristics and impacts of visitors to sites.

Action A.7.1: Continue Strategic Research about Resident & Nonresident Travelers

Every three to four years, repeat research about Montanans' travel habits, spending and trends. Include analyses of data by season and region/state of destination. Conduct the next study in 2003 or 2004 to measure changes in travel behavior that may have been influenced by the statewide "Visit Your Backyard" campaign in 2002, and another study in 2006/2007 to measure the impacts of resident travel associated with the Lewis & Clark Bicentennial.

Continue four-season nonresident visitor research, with the following additions: expand data collection to obtain sample sizes for data analyses by region, activity and visitor type from key states of origin. Collect visitor zip codes, in order to determine key metropolitan areas of origin. Analyze the comparative value and impacts of visitors from different states, activity participants, destinations and traveler types (see sidebar). Gather information about property ownership in Montana. Consider allowing tourism regions to add mini-modules of 6-8 questions specific to their region as part of the survey research (e.g., Lewis & Clark visitation), as part of a cooperative funding effort.

Use nonresident visitor research to measure the value of tourism to Montana's economy. Additionally, conduct research to measure the economic impacts of specific attractions and events, particularly during the Lewis & Clark Bicentennial (e.g., Signature Events), and of specific visitor segments, such as the meeting and convention market, group tour market, heritage/cultural visitors or nonresident property owners. Responsibility: ITRR, BBER, DOC, TAC, TR, MLCBC, SA, FA, Biz

Action A.7.2: Regularly Measure Montanans' Opinions about Tourism & Recreation

Regularly measure Montanans' attitudes and perceptions about tourism to provide insights and guidance on whether concerns are being addressed successfully, and to identify opportunities to communicate with residents about tourism issues. Conduct the next study in 2003 to measure changes in attitudes that may have been influenced by the statewide "Good for Montanans" advertising campaign in 2002. Continue agency efforts to regularly and systematically gather and evaluate public input about past/current/future management of natural, historic and cultural assets. Moreover, continue efforts to obtain input from Montanans about current public/private land regulation issues. Use this information to review and evaluate refinements to tourism and recreation management and marketing programs. Responsibility: ITRR, DOC, TAC, MTRI, SA, FA, Biz

Public comments have helped the Forest Service learn of opportunities for improving the program.

- USFS Fee Demo Program Summary

Action A.7.3: Conduct Regular Conversion Research to Measure Results of Marketing Efforts

Conduct regular state and regional conversion research to determine the characteristics and decision-making habits of potential and converted travelers to Montana, and return on investment (ROI) of state/regional marketing efforts. Coordinate this research with other nonresident studies to allow for comparing/contrasting results. For non-visitors, capture information about other vacation destinations (where they traveled instead of Montana, and why). Responsibility: DOC, TR, CVB, ITRR, Ad

The only real measure of Return on Investment (ROI) for promotion efforts is conversion research. The number of inquiries is an inadequate measure of promotion success.

Action A.7.4: Establish a Central "Clearinghouse" for Data Collection, Analysis & Reporting

Create a Montana Tourism & Recreation Data Center (MTRDC), perhaps as part of ITRR, to regularly collect information from state and national sources, analyze it, and disseminate results of analyses and trends to stakeholder groups. Work with stakeholders to determine information types/formats to collect, and results that are most needed for strategic decision-making on a monthly, quarterly and annual basis. Develop a data tracking format that is compatible across agencies/sites so information can be used by stakeholders for statewide and regional analyses, and for collaborative decision-making about management and marketing.

Additionally, use the Data Center to compile and disseminate the results of research and trends, and to compare research results to statewide data collected by stakeholders. Also compile, summarize and disseminate the results of tourism/recreation research from other sources (TIA, U.S. Travel Data Center, American Recreation Coalition, America Outdoors, American Hotel & Motel Assn., state/federal agencies, etc.). Focus on interpreting and formatting information so that it is user-friendly and insightful for Montana's tourism and recreation stakeholder groups. Create an online newsletter for interactive dissemination of information. Responsibility: ITRR, DOC, TR, MTRI, MTTA, CVB, Attn, Biz

Knowledge Gaps: "What managers mean by adequate and relevant research and what researchers can do to provide it as part of program evaluation efforts."

- USFS Executive Summary, Issues & Concerns Related to Fee Demo Program

"There's a big difference between data and information."

- Stakeholder Written Comment

Action A.7.5: Create a Statewide "Baseline" Database of Tourism & Recreation Assets

Use data from the Department of Revenue, Department of Commerce, regions/CVBs and other state/federal agencies to create a central "master database" that is capable of sorting tourism and recreation assets (facilities, attractions, accommodations and infrastructure) by county, type, size, amenities and ownership type (private, public, tribal, nonprofit). Use the database for online marketing (for customer searches), tracking of visitation trends, and changes in the inventory over time. Responsibility: ITRR, DOC, TR, DOR, MTRI, MRPA, BTA, MTTA

"Targeted research: the gateway to accountability."

- Travel & Tourism Research Assn.

Action A.7.6: Enhance Data-Gathering Systems at Attractions & VICs

Enhance the system of data-collection at state-supported VICs, supplemented by an effort to broaden a standardized data-collection system to other VICs and attractions (chambers, agency visitor centers, etc.), in order to allow insightful and timely analyses of statewide and regional visitation trends. Include data about the origin of visitors by zip code, trip purpose, size of travel party, destinations, activities, etc. Compare/contrast the data to results of traveler research. Responsibility: DOC, ITRR, MTRI, TR, VIC, CVB, CC, Trb

Agencies need to design data collection systems which provide good, current information on user preferences, participation rates and other topics.

- Montana 2001 State Trails Plan

Action A.7.7: Upgrade Lodging Tax Reporting Systems at Montana Department of Revenue

Enhance the lodging tax reporting system so that properties report monthly sales and tax collections, and Department of Revenue (DOR) codes the lodging sales/tax collections by month, county and property type (lodging versus RV/campground). Provide reports from DOR to Department of Commerce, ITRR and tourism regions, so that sales trends can be compared to monthly visitation trends and visitor research. Obtain input from business trade associations to determine business attitudes about submitting monthly reports in exchange for more timely tourism trend data. Responsibility: DOR, DOC, BTA, ITRR.

Action A.7.8: Coordinate with the Private Sector for Enhanced Tracking/Reporting

Encourage chambers and CVBs to collect general trend information from their member properties, compile it for analyses of key trends, and forward general trends to ITRR or Department of Commerce to analyze statewide trends. Include general information that properties are likely to share, such as changes in sales over previous month/year (up or down within a percentage range), traveler types, origins, group sizes, length of stay, etc.). Provide simple, standardized spreadsheets that can be completed quickly from standard monthly business reports. Use insights to adjust targeting of promotions for more effective results. At the state level, use the data as a regular "Travel Barometer", and include trend data in press releases to media. Responsibility: CVB, CC, TR, BTA, DOC, ITRR

Measures of Success for Objective A.7:

- ♦ Creation of a Montana Tourism & Recreation Data Center
- ♦ Creation/maintenance of a baseline database of accommodations/attractions
- ♦ Establishment of standardized/enhanced data-gathering at attractions/VICs
- ♦ Upgrades to tax reporting system at DOR
- ♦ Success in obtaining trend information from businesses for "Travel Barometer"
- ♦ Changes in citizen opinions, attitudes and travel habits/spending
- ♦ Expansion of nonresident visitor research
- ♦ Results of regular conversion research, and comparisons to nonresident research
- ♦ Quality, usefulness & regularity of information disseminated by Data Center

A.8 Objective: Create a Connected System to Share Information & Resources

Communication and networking are essential to successful tourism and recreation in Montana. Many resources are available to stakeholders, but often, information about the resources is not widely available, or there are disconnects in communication between agencies, sectors, organizations that provide support, and those who need support or assistance. An integrated system to share information and resources will strengthen the quality of tourism facilities, services and promotion efforts statewide.

"I feel it is important that the residents of Montana are involved in tourism and recreation in Montana."

- Online Survey Participant

Action A.8.1: Create a Tourism & Recreation Listserv to Share Information

Establish a listserv for any/all tourism and recreation stakeholders who wish to participate, and share information about research, visitor data, trends, announcements, seminar content from national/international meetings, etc. Additionally, provide information from stakeholders to each other and the public via organization newsletters, meetings and press releases. Responsibility: ITRR, DOC, MTC, MTRI, MTTA, TR, NPO

Action A.8.2: Create a Database of Tourism/Recreation Technical & Funding Resources

Develop a database of tourism and recreation-related resources for funding and technical assistance which are available to businesses and non-

profit organizations (see Appendix C). If practical, collaborate with existing organizations who provide resource sites, such as the Department of Commerce's Montana Finance Information Center website

(www.mtfinanceonline.com), the Montana Economic Developers Association (MEDA), University of Montana Bureau of Business and Economic Research (BBER, www.bber.umt.edu), Montana Rural Development Partners (MRDP) and Montana Department of Labor & Industry. Responsibility: DOC, MEDA, BBER, MRDP, DLI

Action A.8.3: Share Information about State/Regional Advertising Plans to Facilitate Coordination

Schedule meetings to share information about Department of Commerce advertising plans with regions/CVBs, and vice-versa, before state and regional marketing plans are finalized. Discuss ideas for mutual target markets, cooperative efforts, and ways to effectively track and measure results of high-impact cooperative efforts (conversions, ROI). Additionally, share information with businesses who also may want to participate in cooperative advertising efforts for image campaigns and advertorial features. Responsibility: DOC, Ad, TR, CVB, Biz

Action A.8.4: Enhance Sharing of Tourism & Recreation Photo Libraries

Maximize the use of funds for tourism photography by creating a central online photo library for tourism stakeholder groups to use. Encourage Department of Commerce, regions, CVBs, nonprofit organizations and other state/federal agencies to contribute to and use the online library via electronic file sharing. Responsibility: DOC, TR, CVB, NPO, MTRI

Measures of Success for Objective A.8:

- Establishment and use of listserv in 2003
- Establishment of central online photo library, and amount of use
- Creation, dissemination and updating of resource database
- Regional/Dept. of Commerce advertising planning meetings beginning in 2003

B. Managing the Use of Assets

Sustainability. High quality. Preservation. Responsible, shared use. Maintenance and operations. Access. Balance. Because of its vast, rural land base, Montana's tourism and recreation assets are linked to its extraordinary mountains, forests, rivers, lakes and plains, as well as to its outstanding historic and cultural assets. Managing the use of those assets is a complex and difficult balancing act, often invoking strong and diverse opinions among Montanans. Chapter 2 discusses the natural/historic/cultural/man-made assets that support tourism and recreation, as well as asset management challenges and threats. This section lists priority actions that are designed to address the challenges of sustainable asset management, based on input from public meetings, agencies and numerous stakeholder groups.

Outreach efforts by the planning team found overwhelming interest in, and support of, best-practices management and minimal negative impact on Montana's natural, historic and cultural assets. Montanans expressed that tourism and economic growth/jobs are generally desirable for the state, but that increasing visitation and population growth must be balanced with sustainability. Moreover, maintenance of tourism and recreation-related infrastructure for both resident and nonresident use is paramount to successful tourism and economic development in Montana.

Rising population and visitor numbers mean increased use of natural and man-made assets, and accelerated costs for infrastructure, staffing, maintenance, interpretation, waste removal and utilities. As demand increases, additional and reliable resources are necessary.

Certain lands and waters in Montana are specially designated by the state or Congress for restricted use and development (i.e. wilderness areas, wild and scenic rivers, primitive areas, endangered species habitat, wetlands, etc.). Use of public land is largely determined through agency planning processes, and by law, the public must be included in the process of developing these plans. Unfortunately, timely completion and implementation of these plans often is inhibited by agency funding and/or staffing challenges, appeals and lawsuits.

This section of Chapter 5 lists actions (many of which are currently ongoing and successful), to achieve sustainable management strategies, reduce negative impacts, and protect/improve Montana's natural and man-made assets.

B. Managing the Use of Assets

- B.1 Balance Asset Protection & Visitor/Business Needs
- B.2 Address Access Issues on Public & Private Lands/Waters
- B.3 Develop an Enhanced Transportation System
- B.4 Create a Comprehensive "System" of Visitor Information
- B.5 Improve Statewide System of Highway Signs
- B.6 Assist Communities with Tourism while Respecting Local Values

"Assets" vs. "Resources"

The words "asset" and "resource" are used in many contexts. For the purposes of this Strategic Plan document, "assets" refer to natural, historical and cultural attributes, places or events that visitors seek in Montana. Assets also include tourism and recreation infrastructure, such as roads, rest areas, VICs, airports and transportation carriers, and community assets, like parks, golf courses, historic downtowns, etc.

"Resources" refer to sources of support or aid, such as funding, information, education and technical assistance.

B.1 Objective: Seek Balance Between Asset Protection & Visitor/Business Needs

Sustainable use and protection of Montana's natural, historic and cultural assets must be balanced with the needs of Montana residents, businesses and visitors. The process to achieve this balance requires stewardship and cooperation, and entails an inventory/evaluation of assets and needs; planning and policy development; regulation/licensing where necessary; and monitoring of use and its impacts. Montanans are accustomed to unlimited access to many natural assets, yet as both resident and nonresident use has increased, limits may be necessary to protect the places that Montanans value so highly. Along with evaluating the physical impacts on assets, local values and multiple use also must be considered in determining desired visitation levels.

The number of guided outdoor recreation businesses has increased in Montana (rafting, kayaking, biking, hiking, horse trips, etc.) as more residents and nonresidents seek professionals to provide the equipment, skills and interpretation that they lack to enjoy the outdoors. In many places, land/river managers cannot determine the number of businesses or visitors using a specific area (such as the Blackfoot River east of Missoula) because there is no licensing or reporting mechanism.

"Tourism must recognize the need for a balance between capacity and demand. Somewhere the industry needs to state and recognize capacity and crowding issues, and either identify that they will balance increased opportunities with resource capacity and demand, or need to support the addition of more lands to the public access system - and even doing that needs to be balanced with wildlife and social impact concerns."

- Public Comment on Draft Plan

...communities are demonstrating that economic prosperity doesn't have to degrade natural surroundings, rob them of their character, or turn them into crowded tourist traps.

- Gateway Communities, Edward T. McMahon, Spring 1999

Action B.1.1: Compile an Inventory/Evaluation of Natural/Historic/Cultural Assets & Facilities

Conduct a survey of natural/historic/cultural asset and facility managers to gather information about existing assets, their current conditions, needs and threats (outdoor recreation facilities are included in the FWP SCORP¹ process). Compile an inventory of key assets as part of a statewide database (see Action A.7.5). Evaluate and prioritize conditions, needs and threats, and determine estimated costs to address them. Determine list of highest priority needs/projects (e.g., "top 10", "top 20"), and focus on collaborative strategies to address them. Responsibility: SA, FA, Trb, LG, NPO, Biz, MTRI, MRPA

Action B.1.2: Select Management Options that Emphasize Balanced Resident & Nonresident Use

Consider the values and desires of local residents and communities when making management decisions about use levels of natural/historic/cultural assets. Involve residents, community leaders, businesses, elected officials and interest groups in discussions about desirable balance between nonresident visitation and local quality of life. Use research about current/future conditions, trends,

¹ Statewide Comprehensive Outdoor Recreation Plan (SCORP)

carrying capacity, supply and demand to inform decisions about asset use. Improve coordination between communities, agencies, tribes, businesses and non-profit interest groups (sportsmen, conservation, cultural, etc.). Develop MOU's where appropriate to create partnerships and share resources. Monitor tourism and recreation impacts by communicating with users, businesses, communities, tribes, etc., while improving mechanisms for visitor data collection.

Responsibility: SA, FA, Trb, LG, NPO, Biz

Action B.1.3: Develop Systems of Allocated Use in Sensitive Areas

Create policies, limits and systems of allocated use where necessary to accommodate public use while protecting and restoring assets. Utilize interagency/interregional coordination assisted by public, private and non-profit user input to assist decision-making processes. Amplify signing and information materials to educate the public about low-impact visitation ("pack in/pack out", use of fire pans and portable toilets, etc.). Continue visitor use management systems, and limit numbers of visitor permits for guided and non-guided trips in areas where visitor numbers are degrading assets. Continue road and trailhead management policies, as needed, to allocate use in areas sensitized by overuse, weather or biological concerns. Responsibility: SA, FA, Trb, NPO, Leg, FWP Commis., Outfitters Licensing Board

Action B.1.4: Evaluate Licensing for All Guided Recreation Activities that Involve Safety Risk

Consider state licensing and bonding of all commercial guided recreation activities that present a public safety risk. Evaluate the number of outfitters/guides and their guests that can use an area without exceeding its carrying capacity, taking into account a balanced, corresponding number of non-guided use. Determine outfitter/guide allocations that allow reasonable access to visitors who need a guide, as well as to those who do not. Responsibility: Outfitters Licensing Board, Leg, SA, FA, BTA

Action B.1.5: Address Motorized vs. Non-Motorized Recreation User Conflicts

Emphasize cooperation between land managers/owners and user groups to help maintain or create opportunities/areas which separate (or disperse) motorized and non-motorized use, and consider user conflicts in trail planning. Develop partnerships to establish and maintain designated public or privately-owned areas for "motorized parks". Support agency programs to retain both motorized and non-motorized trails, while protecting assets and preventing overuse. Set use limits where necessary, and disseminate responsible trail use education materials. Responsibility: SA, FA, NPO, LO, Biz, LG

Action B.1.6: Address Invasive Species Problems through Partnerships & Educational Programs

"Increases in the numbers of tourists should not overwhelm existing infrastructure and opportunities. Growth should be based on the ability to handle the influx without negative impacts."

- Online Survey Participant



Snowmobiling in Montana

"The snowmobile tourism industry should be actively engaged in efforts to forge acceptable compromises with wilderness/quiet trail advocates. Motorized and non-motorized advocates need to work together to carve up the turf, so to speak,...Otherwise, continued conflict will result in continued controversy and uncertainty for the industry."

- Public Comment on Draft Plan

"It is our task in our time and in our generation to hand down undiminished to those who come after us, as was handed down to us by those who went before, the natural wealth and beauty which is ours."

- John F. Kennedy

Implement agency, county and municipal invasive species plans (noxious weeds, zebra mussels) and management strategies (e.g. Montana State Trails Plan, USFS Landscape Stewardship, USFWS invasive species protocol). Educate resident and nonresident travelers regarding prevention and control measures necessary to eradicate invasive species. Use informational brochures, press releases, public service announcements, agency web sites, workshops, etc. Continue partnerships between management agency staff, volunteers, user groups, schools, 4-H groups, conservation districts, agricultural industry and media to effectively address the issue. Responsibility: SA, FA, DOAg, RC&D, NPO, LO, Biz

Action B.1.7: Encourage Appropriate Use of Land Conservancy Programs

Build awareness of federal programs that conserve agricultural lands and natural areas, such as conservation easements, Farm Security and Rural Investment Act of 2002, and Farmland Protection Program. Advocate for continuation of conservancy programs. Responsibility: FA, DOAg, Ext, LO, NPO

Measures of Success for Objective B.1:

- ◆ Creation of statewide database of natural/historic/cultural assets and facilities
- ◆ Amount of local involvement in decisions regarding asset multiple use and management
- ◆ Prevention of damage to sensitive assets/recovery of degraded areas
- ◆ Level of consensus between motorized and non-motorized users
- ◆ Decrease of infestation of invasive species
- ◆ Increase in acreage enrolled in conservancy programs

B.2: Objective: Address Access Issues on Public & Private Lands & Waters

Montana is about one-third public land (35%), nearly two-thirds private land (61%), and five percent tribal land. Montanans historically have enjoyed access not only to public lands, but also to much of the state's privately-owned lands for recreational purposes – especially hunting and fishing. However, in recent years, economic pressures on farmers, ranchers and timber companies have forced closures or sale of private lands for recreational leases and residential development resulting in reduced access. At the same time, federal and state budgets and environmental issues have curtailed agencies' abilities to construct and maintain access roads and trails on public lands. The population of Montana, and the number of nonresident visitors, has increased in the past decade, creating more demand on diminishing accessible lands and waters. Loss of access to public and private lands, and limits on

Block Management Program

From 1996 to 2001, the number of participating landowners increased from 796 to 1,075 (35%); enrolled acreage increased from 7.1 million to 8.7 million acres (22%); and estimated hunter days increased from 212,301 to 347,915 (6%).

Source: FWP

methods/modes of access, has created increasing conflicts among user groups in Montana. Several programs are currently in place, and achieving success, to address access issues:

- ♦ Access Montana, a program to protect and improve public access to isolated state and federal lands, emphasizing a cooperative approach to the resolution of sportsman/landowner/agency conflicts involving public land access.
- ♦ Montana's Block Management Program, established in 1985 to create cooperative agreements between private landowners, public agencies, and Fish, Wildlife & Parks to provide free public hunting opportunities on private lands and isolated public lands. FWP pays private landowners a nominal fee for allowing hunters access to their property to harvest big game, upland game birds, and waterfowl. The program is funded through nonresident outfitted big game licenses, nonresident upland game bird licenses, and a Hunter Access Enhancement Fee paid by all resident and nonresident hunters.

A number of special task forces have been formed to address specific issues related to public land access (see sidebar). The intent of the task forces is to foster agency agreement on access issues; and better cooperation between land management agencies and private groups.

Action B.2.1: Support Implementation of Strategies to Improve Access to Public Lands & Waters

Support efforts of federal and state agencies to acquire easements, and to exchange or purchase land from willing private landowners, in order to preserve access to public lands and waters. Include easements for access when recreational agreements are being purchased. Implement the access strategies identified in the 2001 Montana State Trails Plan. Continue to publish and distribute the *Montana Access Guide to Federal & State Lands*, and the Access Montana program to protect and improve public recreation access to isolated state and federal lands. Responsibility: SA, FA, Trb, NPO, LO

Action B.2.2: Expand the Block Management Program for Access to Private Lands

Support the efforts of Fish, Wildlife & Parks to expand Montana's Block Management Program for access to private lands. Consider increase in fees paid to landowners to compensate for costs of public use impacts, and as incentive to encourage broader participation. Responsibility: FWP, LO, TR, NPO

Action B.2.3: Use Special Groups to Facilitate Discussion of Access to Public/Private Lands & Waters

Land & Water Access Task Forces

Montana Interagency Access Council (MIAC), formed in mid-1990's as informal ad hoc group of state, federal and local land management agencies and groups (e.g. Montana Assn. of Counties) to discuss land/water access issues and work in collaborative fashion. Council meets two to three times per year to identify common and specific problems, and possible solutions. MIAC prints and distributes the *Montana Access Guide to Federal and State Lands*.

River Recreation Advisory Council, formed in summer 2002 "for the purpose of assisting Montana FWP with the development of a statewide framework, policy and rules for managing recreation on Montana's rivers." Council consists of representatives from groups interested in river recreation management, and those who will be affected by river recreation management decisions.

Agency Roundtable, formed in 2002 by Montana FWP to convene state/federal agencies that have river recreation management responsibilities. Its purpose is to exchange information on river recreation management responsibility and jurisdiction, strategic planning processes, and rules governing recreation on rivers. Agency Roundtable provides an opportunity to learn more about other agencies' efforts to address increasing use and social conflict on rivers, and to identify opportunities to coordinate planning efforts and collaborate on projects.

Interagency Recreational Fee Demonstration Program Coordination Task Force, organized to facilitate interagency coordination of the federal Fee Demo Program.

"Without the funding for access acquisition and development of public areas, the tourist, and Montanans, will not have access to the assets they came to see in the first place."

- Public Comment on Draft Plan

Continue to use interagency groups and special task forces to gather and disseminate information, and develop collaborative strategies for access management and policies. Create additional partnerships between land management agencies, tribes, and private sector/non-profit interest groups to help resolve major access issues and suggest alternative approaches. Expand communication on access issues and cooperation between agencies, user groups, and other interested parties. Responsibility: MT Interagency Access Council, SA, FA, NPO, TR, Trb

Measures of Success for Objective B.2:

- Number of easements, exchanges or purchases consummated to preserve access
- Amount of expansion of Block Management Program acreage/participation, funding
- Number and nature of public access issues resolved between user groups/agencies

B.3 Objective: Develop an Enhanced Transportation System in Montana

Montana's residents, visitors, and key industries are heavily dependent on transportation: personal, public, motor carrier, air and rail services. Research conducted for the Montana Department of Transportation (MDT) found that tourism, and growth in Montana's visitor and service industries, will generate increased traffic throughout the State (motorized, rail, pedestrian, bicycle, pack animal, etc.), and increased demand for air travel.

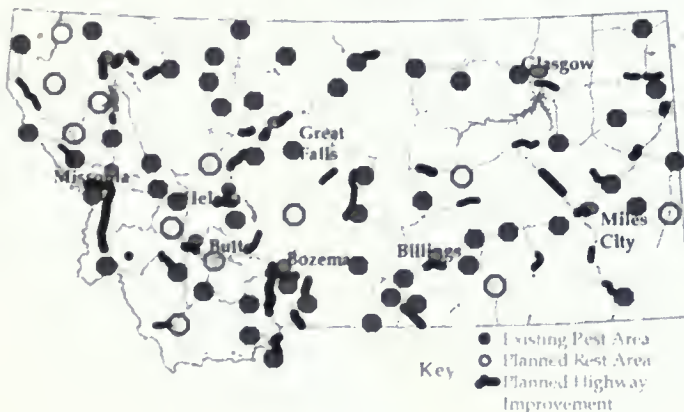
The principal transportation challenge for tourism and economic development in much of Montana is not lack of infrastructure, but the distance to be traveled. The Montana Department of Transportation and other state/federal agencies, transportation providers, communities, and tribes have developed strategic plans for multi-modal transportation systems. In many cases, though, planning and implementation of actions are impeded by lack of connectivity and communication between possible partners, an uninformed public, and funding deficiencies.

Montana's highway system connects communities and the state to national and international transportation systems. The roadway system is the largest single capital investment in Montana, and the needs of Montana's highways are increasing as a result of the state's growing population, tourism, and pass-thru traffic.

MDT's multimodal transportation plan, *TranPlan 21*, identifies and



Fig. 5.1: Rest Areas & Highway Improvements



evaluates transportation issues facing Montana. According to the *TranPlan 21* annual report for 2001, Montana has a total of 69,556 miles of public roads; of which 55,682 are state-designated and 3,874 miles are federally-designated. The state highway system also contains over 4,600 bridges, each of which MDT inspects at least every two years for damage and deterioration. MDT has developed and implemented a Bridge Management System that is used to prioritize and coordinate bridge construction/maintenance projects with highway projects. In addition, the Statewide Transportation Improvement Program (STIP) identifies highway, rail, aeronautic, and transit improvements to preserve, renovate, and enhance Montana's transportation system. The September 2001 STIP, covering fiscal years 2002 through 2004, identified over 400 transportation projects statewide for MDT implementation.

Rest areas on interstate, primary and secondary roads are necessary in areas where private business cannot meet demand. Although the number of Montana's state rest areas is increasing, hours of operation and amenities need improvement, especially during the winter. According to ITRR research, less than half of Montana's winter visitors were satisfied with the availability of highway rest areas.

Montana's aviation industry serves an important role in ensuring statewide connectivity, both within and without. Air transportation within the state is highly dependent on consumer "supply" and "demand" levels of major national airlines. Nonresident tourists create demand for enhanced air service to and from Montana, which enhances service for Montana citizens and businesses. Montana also has a strong interest in the preservation of rail services. The rail system is a key element of the state's overall transportation system, and supports existing industry, including tourism. Seasonality of tourism in Montana decreases profitability and service of transportation carriers (airlines, passenger rail, car rental agencies, shuttle services, etc.). Strategic tourism planning and marketing efforts will help to preserve and enhance existing transportation service levels.

The graying of America will increase the importance of transit/shuttle transportation to meet the needs of both Montanans and nonresidents. Visitors will require more options for mechanized modes of travel within and to urban/rural areas and attractions (national parks, golf courses, historic sites, shopping, medical services, etc.). Scheduled bus service is available in some of Montana's urban areas (Billings, Great Falls, Missoula, Butte and Kalispell) but not in Helena, Bozeman or most rural areas. A number of communities provide door-to-door bus or van service (e.g., Call-A-Ride or elderly/disabled transit services). Taxi service is limited only to a few urban areas.

TranPlan 21

The Department of Transportation statewide multimodal transportation plan, *TranPlan 21*, has identified current and future issues/concerns, and established MDT policy goals and actions since 1995. Annual *TranPlan 21* reports track implementation of policy goals, actions and system features. Biennial analysis monitors changes, assisted by public and stakeholder input, establishing need for amendments and revisions. A majority of goals and actions have been completed and those remaining are being implemented.

Source: MDT

MDT Statewide Transportation Improvement Program (STIP)

STIP identifies highway, rail, aeronautic and transit improvements to Montana's transportation systems. Transportation Equity Act (TEA-21) funding assists with accomplishment of STIP objectives.

Nonresident tourists create demand for enhanced air service to and from Montana, which improves service for Montana citizens and businesses.

Trails are a significant tourism and recreation asset in Montana, whether they are backcountry hiking/horse trails, OHV trails, groomed cross-country ski or snowmobile trails, or urban and rural bicycle/pedestrian trails. Conscientious planning and expansion of Montana trail systems can improve the economic vitality and quality of life for Montana's communities and residents. An improved urban and rural trail system provides additional soft adventure recreation activities to residents and visitors alike. Tour companies and recreation-related businesses benefit from increased bookings of bicycle/walking tours. Trails in wilderness and primitive backcountry areas offer access to adventure recreation opportunities (backpacking, big game hunting, high country fishing, horse/mule/llama pack trips, etc).

Improved bicycle and pedestrian facilities are needed for commuting, transportation, recreation and the preservation of environmental quality. MDT's State Bicycle and Pedestrian Coordinator is responsible for addressing non-motorized transportation considerations, including planning and technical assistance, and coordination of available funds for bicycle and pedestrian improvements. MDT publishes *Bicycle the Big Sky*, a visitor guide of bicycle-related maps. Partnerships are being developed between MDT, Dept. of Commerce, tourism regions, and the private sector to maintain bicycle-related tourism guides and information.

According to the State Trails Plan, maintaining the current trail system in Montana, and planning for expansion, is one of the biggest challenges facing trail users and land management agencies. Government funding for maintaining the current network of trails is insufficient.

Action B.3.1: Advance Implementation of Montana's Rest Area Strategy

Use strategies contained in MDT's TranPlan 21 Update and Statewide Transportation Improvement Program (STIP) to improve rest areas. Complete new rest area projects with design improvements and visitor services, including visitor information (see Action B.4.1). Address seasonality and extend hours of operation at key rest areas needed to serve tourists. Develop partnerships and funding opportunities with private/nonprofit sectors to assist with seasonal maintenance and staffing needs. Responsibility: MDT, DOC, TR, CC, VIC, NPO

Action B.3.2: Continue to Improve Roads & Bridges; Address Maintenance Backlog

Advocate for funding and implementation of Montana Department of Transportation highway and bridge improvement actions identified in TranPlan 21 Update and the Statewide Transportation Improvement Program (STIP). Expand local input into decision-making on road improvements which will enhance or affect natural, historic, cultural and community assets. Additionally, expand



Montana has 5,048 miles of state and federal highways

partnerships and funding opportunities between agencies and the private/nonprofit sectors to address the backlog of maintenance on transportation infrastructure. Responsibility: MDT, SA, FA, MACo, MLCT

Action B.3.3: Work with Air Carriers/Airports to Identify Needs & Enhance Air Service

Continue Montana's statewide aviation planning process by encouraging tourism stakeholders to participate in air service task force groups, and to remain actively involved in meetings with airlines regarding frequency and scheduling of flights. Where possible, address needs of airlines to enhance service. Identify airport improvements and aviation strategies that will support or enhance tourism. Responsibility: MDT, DOC, TR, CVB, Biz

Action B.3.4: Advocate for Passenger Rail Service

Build relationships and coordination efforts with Amtrak, Burlington Northern and independent short lines. Advocate to state/federal agencies and elected officials for support of passenger rail service. Work with tour operators, tourism businesses, MDT and other state/federal agencies to promote increased use of passenger rail service through packaging, rail/drive/bus tours, etc. Responsibility: DOC, TAC, TR, CVB, Biz, MDT

Action B.3.5: Work with Car Rental Agencies to Identify Needs & Enhance Services

Create partnerships with automobile rental agencies to identify and address service needs, and to package car rental with lodging, attractions, activities and events, especially during shoulder seasons. Responsibility: TR, CVB, CC, Biz

Action B.3.6: Identify Opportunities for Transit/Shuttle Transportation at Major Destinations

Work with cities, counties and attractions to identify and seek funding for transit/shuttle transportation to meet the needs of travelers, and to reduce impact from personal vehicle traffic in high visitation areas. Explore opportunities to utilize federal transportation grant funds. Responsibility: MDT, TR, CC, NPS, Attn, Biz, MLCT, MACo

Action B.3.7: Enhance Montana's Trail System

Form partnerships between local governments, agencies, tribes, private landowners, non-profit/for-profit user groups, tourism businesses, and others to continue planning, seek funding sources, and address management of Montana's trail system. Use the State Trails Advisory Committee (STAC) to facilitate communication and action between partners. Integrate Montana's trail system with the state's



Passenger and freight rail services are important to Montana's economy.

"An efficient shuttle bus system that links Glacier NP and gateway communities would reduce congestion, improve transportation options and provide opportunities for positive resident/visitor interaction."

- Online Survey Participant



Trolleys & shuttles provide alternative tourist transportation.

"Visitors will spend more quality time in gateway communities if they are pedestrian friendly. Walkable downtowns, river-walk trails and bike paths should be developed and promoted as part of the Montana experience."

- Public Comment on Draft Plan



Hiking near Dupuyer

primary transportation network and, where appropriate, provide alternatives to vehicular transportation, according to guidelines in the 2001 Montana State Trails Plan and TranPlan 21 Update.

Improve trail maintenance, and retain or expand existing trails (where appropriate) in order to maintain recreation opportunities and diffuse user demand, thereby reducing impacts from concentrated trail use. Work to prevent trail closures, which have a negative impact on surrounding communities and tourism businesses. Partner with MDT and other agencies to improve bike and pedestrian facilities in urban and rural areas. Combine bicycle/pedestrian related improvements with byway activities for increased opportunities for partnerships and federal funding.

Responsibility: MDT, MTRI, STAC, NPO, LG, Trb, Biz, LO

Measures of Success for Objective B.3:

- Number of completed projects/actions in MDT TranPlan 21 and STIP
- Number of enhancements to commercial air service and airports
- Continuation/expansion of passenger rail service
- Enhancements to car rental/transit/shuttle transportation services
- Augmentation/improvement of Montana's trail inventory
- Increases in number of miles and condition of bike/pedestrian and backcountry trails

B.4 Objective: Create a Comprehensive & Interactive “System” of Visitor Information & Interpretation

Montana’s current system of visitor information is three-fold: information for vacation planning, information for vacation orientation within Montana, and information for on-site interpretation and entertainment.

PLANNING. The Department of Commerce Promotion Division (Travel Montana) provides high-quality vacation planning guides and brochures, web sites and telephone travel counselors (800#) that receive high ratings from travelers. Additionally, tourism regions, CVBs, chambers, agencies and businesses provide trip planning materials. State and regional tourism marketers provide information to auto club guidebooks (e.g., AAA) and to travel media for articles/features about Montana. Travelers’ friends and relatives also are a major source of information for vacation planning.

ORIENTATION. Information for traveler orientation within Montana includes highway signs, visitor information centers (VICs), brochure racks, billboards, front-line service persons, travel guides/books, maps, and travelers’ friends and relatives.

In 2000-2001, 80%+ of nonresident travelers expressed satisfaction with Montana’s directional signage. About one-third felt that signage had improved since their last visit. Several of Montana’s tourism regions, communities and tribes promote driving/loop tours; however, there is no state standard for tour route signage.

Nearly two-thirds of 2000-2001 nonresident visitors also were satisfied with the availability of other travel information. About one-third felt that availability had improved (except in winter). The Montana Department of Commerce funds eight “gateway” visitor information centers (VICs) around the state, which generally are open from Memorial Day to Labor Day. These centers are located at Broadus, Culbertson, Dillon, Hardin, Shelby, St. Regis, West Yellowstone and Wibaux (Figure 5.2). Brochure racks are maintained by chambers and commercial display companies at airports, rail stations, hotels, restaurants, convenience store/gas stations, etc.

ON-SITE INTERPRETATION. On-site interpretation and entertainment includes historical markers, interpretive signs, brochures (e.g., self-guided walking/driving tours), maps, guided tours (with human interpreter, cassette

Fig. 5.2: State-Funded Gateway VICs



tapes, etc.), interactive displays, reenactments, and travelers' friends and relatives. A statewide Lewis & Clark Interpretive Sign Strategy was developed by the Montana Tourism & Recreation Initiative (MTRI) inter-agency group in preparation for the Bicentennial in 2003-2007. Many of the interpretive sites and signs identified in the strategy have been funded, improved and installed. Other types of on-site interpretation and information are provided by Montana communities, businesses and nonprofit organizations, aided by the Montana Historical Society for technical assistance. Other than the Lewis & Clark sign strategy, there are no standardized guidelines for design or content of interpretive/informational signs that are not state-funded.

Action B.4.1: Enhance State Rest Areas & VICs with Montana Highlights

Continue to implement MDT's Statewide Rest Area Plan provisions for visitor communication in rest areas by installing brochure racks, information bulletin boards, and displays of local/regional attractions and amenities at all state rest areas as they are constructed or upgraded. Establish policies and plans for display and brochure rack installation and maintenance. Contract local/regional organizations (chambers of commerce, tourism regions, or commercial brochure display firms) to voluntarily maintain displays with current information. Consider feasibility of locating VICs at additional rest area locations (especially inbound direction gateways) to lure visitors to area businesses and attractions.

Use Montana's VICs, rest areas and chambers of commerce to showcase Montana's history and economy. Highlight Montana products in materials, furnishings and displays sponsored by business and industry groups (e.g., log furniture, copper accents, western art, product samples), such as products from Made-in-Montana and Grown-in-Montana. Pursue state legislative action if needed for policy changes.

Expand VIC and rest area hours/seasons through development of partnerships with local businesses, nonprofit/service organizations and agencies.

Responsibility: MDT, DOC, DOAg, TR, CVB, VIC, CC, Biz, Leg, FWP

Action B.4.2: Educate Visitors about Ethics and Responsibilities on Public & Private Lands

Develop a concise brochure and public relations program to educate both Montanans and nonresident visitors about their responsibilities associated with use of public and private lands. The information should include a number to report violations and list penalties where appropriate. Distribute the brochure at VICs, rest areas, public agency offices, businesses and with fishing/hunting license or other public land use applications. Responsibility: MTRI, NPO, FWP



Lost Trail Pass Rest Area

Montana travelers have access to 59 rest areas (13 are located in city parks).

Action B.4.3: Complete Implementation of Statewide Lewis & Clark Interpretive Sign Strategy

Continue to encourage communities to implement the sign strategy for the Bicentennial, which provides a unified structure, style and look for interpretive signs along the Lewis and Clark Trail, while encouraging creativity appropriate to each site and story. Responsibility: MLCBC, MHS, DOC, MDT, FWP

Action B.4.4: Provide Professionally-Researched Interpretive Programs & Facilities for Visitors

Create partnerships and combine resources to produce professional, accurate interpretive programs, tapes, signage, etc., for guided/self-guided tours. Responsibility: MHS, FA, Trb, Univ, FWP

Measures of Success for Objective B.4:

- ♦ Enhancements completed at Montana rest areas and VICs
- ♦ Development of public relations program on ethics and responsibilities
- ♦ Completion of L&C Interpretive Sign Strategy
- ♦ Number and quality of interpretive programs produced at local and state facilities



Lewis & Clark Interpretive
Center, Great Falls

B.5 Objective: Improve Statewide System of Highway Signs

The Montana Department of Transportation (MDT) installs and maintains directional signage on all of Montana's federal and state highways, working in cooperation with other state, federal and local agencies. Federal guidelines direct the type, number and uses of signs on federal Interstate highways, and MDT has authority to interpret and implement federal and state guidelines according to state policy. Often, MDT staff are placed in the awkward position of deciding where signs are needed, where they are not, or which local/regional attractions or businesses deserve highway signs, and which do not. This is not an ideal situation for MDT highway staff, or for tourism and recreation providers/marketers. Representatives from MDT and Dept. of Commerce have discussed guidelines and policies related to highway signs.

Action B.5.1: Develop/Implement Sign Guidelines for Services, Attractions & Businesses

Complete sign guidelines handbook by the end of 2003. Include a summary of federal and state laws and rationale related to highway sign and billboard regulations (e.g., laws/limitations, safety, sign clutter, priorities, etc.). Provide guidance about the types of services and attractions most important to visitors, about symbol signs (see Action B.5.2), and about how to establish local/regional sign programs

Fig. 5.3: Symbol Signs



that create a “hierarchy of signs” which guide visitors to desired locations. Establish in the guidelines a process for deciding sign topics at the local level (most important attractions/services decided by tourism region recommendation to county commissioners or city council, etc.). Create statewide design standards for continuity in tourist corridor signs (loop tours, byways, cultural corridors, etc.).

Assist businesses with guidelines for effective sign design in a section addressing opportunities/limitations, guidelines and costs for businesses to place signs (Adopt-A-Highway, etc.) or billboards on state highways, or participate in visitor services signs (Tourist-Oriented Directional Signs, or TODS).

Invite stakeholder groups to participate in the process to complete a user-friendly sign guidelines/policy handbook, in order to improve Montana’s system of signs and reduce conflicts between MDT and local communities and businesses. Distribute the handbook through tourism, government and business organizations. Responsibility: MDT, DOC, TR, MACo, MLCT, Biz, MHS, BTA, MTTA, Trb

Action B.5.2: Encourage Statewide Adoption of Visitor-Friendly Symbol Signs

Encourage Montana attractions, agencies and businesses to adopt and use symbol signs which provide consistent directional and orientation sign icons/graphics for visitors (Figure 5.3). Work with MDT to ensure consistency of sign symbols, and compliance with federal and state guidelines and policy. Responsibility: MDT, DOC, TR, Biz

Action B.5.3: Address Appropriate Use/Placement of Billboards While Maintaining Landscapes

Work with billboard companies to mitigate negative impacts of billboards, while still providing advertising opportunities for businesses and useful information for travelers (up to 20% of Montana’s nonresident visitors indicated that highway billboards were useful). Address controversial issues related to billboards (size, placement, design, sign clutter, viewsapes), and educate businesses about federal/state/local laws regulating billboards. Enhance traveler safety and landscape aesthetics by educating businesses about effective use of colors, graphics, text font and amount of text. Additionally, consider alternatives to billboards where possible/practical, and encourage businesses to use alternative methods of advertising. Responsibility: TR, MDT, Biz, MACo, MLCT

Measures of Success for Objective B.5:

- ◆ Distribution of sign guidelines/policy handbook by 2004
- ◆ Policy adoption of symbol signs, and widespread use of them
- ◆ Increased participation in TODS
- ◆ Consistent use of directional and orientation signing
- ◆ Reduction of controversies surrounding billboards

B.6 Objective: Assist Communities to Enhance Facilities/Services for Tourism Development while Respecting Community Values, Heritage & Character

Many Montana communities and rural areas are coping with rapid growth, including an ever-growing number of tourists, while others are de-populating. Montanans who participated in the strategic planning process expressed feelings of strong attachment to their state's landscape and cultural heritage, and to the character of their towns. They want a healthy economy, but not at the expense of their natural surroundings, culture, or community.

While some communities desire more tourism overall, other communities or areas may decide to "de-market" certain seasons or visitor segments to reduce local impacts. De-marketing can target growth/visitation in general, or a certain sector/group in particular (e.g., fishermen), on either a temporary or permanent basis.

The Montana Community Tourism Assessment Program (CTAP) helps analyze local resident attitudes about (and interest in) tourism, measure tourism potential, identify gaps in visitor services and suggest projects or actions that can strengthen the role of tourism in the local economy. CTAP is funded by the state lodging tax and administered by the Department of Commerce. At the end of the 8-month process, communities can use grant funds to develop priority projects. From 1991 to 2001, CTAP assisted 27 Montana communities.

The Tourism Infrastructure Improvement Program (TIIP) is funded by the state lodging tax and administered by the Department of Commerce. Since 1995, TIIP grants have provided more than \$1.5 million in funds for 31 projects in 26 communities across the state.

The Special Events Grant Program (SEGP), administrated by the Department of Commerce Promotion Division, assists economic development and tourism through grant funding for the creation of an event or to make an event more successful. The types of projects eligible include attendance events, enrichment activities and promotional events.

The National Main Street program provides assistance to downtown districts or subdistricts seeking economic revitalization and infrastructure improvements. More than 1,600 communities belong to the National Main Street program (www.mainstreet.org), including several in Montana, using its Four-Point Approach™ to address business retention and recruitment, downtown design, marketing and organizational development.

Attracting tourists and visitors - especially heritage/cultural travelers - is an important economic development strategy for many downtowns.

National Main Street News, June 2002

"Infrastructure needs to include park facilities and staffing, land base for park development and historic and recreational asset maintenance."

- Public Comment on Draft Plan

"Many local park systems serve as tourism sites for stopovers between major sites. In some cases local parks and amenities may be a destination. Certainly events sponsored at major city parks have as many non-residents as residents participating or visiting."

- Public Comment on Draft Plan

Action B.6.1: Continue and Enhance Community Tourism Assessment (CTAP) & Tourism Infrastructure Improvement (TIIP) Programs

Assist at least three communities each year to assess their tourism and recreation potential through the Community Tourism Assessment Program. Provide tourism infrastructure improvement funds through the Tourism Infrastructure Improvement Program. Responsibility: DOC, LG, Ext, ITRR

"Building the tourism infrastructure is extremely important to the tribes. The tribes have a lot to offer; however, they lack the funding, training and facilities to participate in tourism efforts."

- Online Survey Comment

Action B.6.2: Encourage Review of City/County/Tribal Infrastructure & Public Services

Conduct workshops and discussions to develop an inventory of local tourism-related infrastructure, facilities and public services which provide safe and quality visitor experiences. Focus on recreation (sports venues, event centers, fairgrounds), arts, cultural, historic and interpretive facilities/services, VICs, EMS/medical/fire, law enforcement, utilities (water/sewer, waste, power, telecom), transportation (capacity, parking, traffic control, transit options), information/interpretation, and facility reconstruction to meet accessibility and safety standards. Form alliances of communities, tribes, agencies, private citizens, businesses, private/nonprofit groups to utilize cooperative funding strategies and strategic planning partnerships. Identify top priority needs and seek funding to address them (see Appendix C). Contribute appropriate inventory items to statewide tourism asset database (Action A.7.5). Responsibility: LG, Trb, MLCT, MACO, TR, NPO, Biz

Action B.6.3: Enhance Heritage/Cultural Facilities & Attractions to Meet Visitor Needs

Work with heritage and cultural facilities to provide information about visitor trends, the tastes and preferences of targeted market segments, and ways that managers can refine the niche and quality of their facilities, services and events to better serve both residents and nonresidents. Include information about ways to cost-effectively develop creative, interactive and age-appropriate displays and activities, and to generate revenue from tourists. Utilize research on traveler habits to support decision making.

Develop greater visibility of, and connections between, heritage and cultural assets (museums, galleries, historic/cultural sites, theater, music, events, reenactments), so that visitors can more easily access them through tourist packages, cultural tours, etc.

Expand hours and seasons (weekends, year-round) at historical and cultural attractions. Form partnerships to assist with expenses and recruit additional workers as needed (i.e. high school student interns, Boy/Girl Scouts, FFA, 4-H, retirees). Work with hotels and meeting planners to host meeting and conference events at cultural venues. Responsibility: MHS, MAC, Trb, NPO, Biz, FWP

Action B.6.4: Encourage Community Participation in the National Main Street Program

Assist communities in learning about the National Main Street (NMS) program, and applying its principles to Downtown Revitalization efforts. Obtain NMS materials and resources for community leaders to address economic restructuring (market analysis, business retention and recruitment), building façade renovation, streetscape enhancements, marketing and promotion and organizational issues. Evaluate the feasibility of creating a Montana Main Street Program under the Department of Commerce or Montana League of Cities & Towns. Responsibility: DOC, MLCT, MEDA, MHS

Action B.6.5: Encourage Communities to Use Strategic Planning & Development Tools

Provide information to communities about planning and development tools that will enhance local quality of life, as well as preserve community heritage and character. Encourage communities to adopt the Uniform Code for Building Conservation (UCBC) to assist owners of historic buildings in redeveloping them without having to meet all requirements of the Uniform Building Code for new construction. Educate community leaders about uses of the Uniform Code for the Abatement of Dangerous Buildings (UCADB), which allows cities to address hazardous structures. Sponsor workshops on SmartGrowth principles, historic districts, affordable housing and other tools that will aid in preserving local quality of life while dealing with growth and development issues. Responsibility: MLCT, MACo, DOC, MEDA

"Somewhere in this document as a goal, it should be talked about working with zoning and planning to keep the "individual character" of an area, and also to keep open space and agriculture - which are the attractants for tourists."

- Public Comment on Draft Plan

Measures of Success for Objective B.6:

- ♦ Number of communities who participate in CTAP and TIIP programs
- ♦ Number/attendance of workshops conducted for city/county/tribal entities regarding facility/service needs to support tourism
- ♦ Community improvements as a result of facility/infrastructure projects
- ♦ Enhancements to heritage/cultural facilities and events to better meet visitor needs
- ♦ Expanded hours and services at heritage/cultural facilities and sites
- ♦ Number of communities participating in Main Street programs, and success of Downtown revitalization efforts
- ♦ Number of communities/counties using planning and development tools to address issues of growth, historic building redevelopment, hazardous buildings, etc.

C. Creating Teams

In a world of limited funding and technical resources, partnerships are essential to accomplish tasks. This section outlines a series of objectives and actions designed to create partnerships that will leverage existing dollars to address the actions listed in the previous two sections. It also includes actions to facilitate enhanced collaboration between stakeholders, provide business assistance, and implement the Strategic Plan during the years 2003-2007.

C.1 Objective: Identify Opportunities to Link Agriculture with Tourism

Tourists eat: in 2001, nonresident visitors in Montana ate approximately 110,000,000 meals – the equivalent of more than 2.1 million meals per week, or 300,000+ per day! They spent more than \$332 million on restaurant meals and beverages, and another \$125+ million on groceries and snacks, excluding meals consumed in the homes of friends and relatives. There are tremendous opportunities to better link Montana's agricultural products with its nonresident visitors, through restaurants and retailers. Currently, no formal statewide system exists to market Montana products to restaurants via brokers and suppliers. Thus, many opportunities to develop value-added products (and jobs) are missed, because raw materials (cattle, bushels of wheat, etc.) are shipped out of state for processing, packaging and sales. Funding for development of value-added ag products is available from USDA through the 2002 Farm Bill (see Appendix C). State programs like the Department of Agriculture's Farmers Market listing and Grown In Montana (GIM) exist to market products for retail sales, but they do not address opportunities to create broker/wholesaler mechanisms to supply restaurants. Additionally, there are opportunities to better educate tourists about Montana's agriculture and ranching industries through tours, interpretation and information dissemination.

Action C.1.1: Create Mechanisms for Tourism Businesses to Use Montana Agricultural Products

Identify opportunities to create brokered/wholesale purchase and distribution of ag products, based on analyses of current restaurant suppliers and buying trends. Work with groups of producers to develop products specifically for Montana restaurants, and create branded items ("Montana Beef") to add value to the products in the eyes of visitors. Responsibility: DOAg, BTA, TR, CC, Biz

C. Creating Teams

- C.1 Link Agriculture with Tourism
- C.2 Create Partnerships to Address Asset Management Needs
- C.3 Increase Utilization of Business Assistance Programs
- C.4 Identify Business Opportunities to Serve Visitors on Public Lands
- C.5 Enhance "Edu-Structure" to Support Tourism
- C.6 Build Funding Partnerships
- C.7 Develop Additional Funding Sources
- C.8 Facilitate Implementation of Strategic Plan

Montana visitors ate 110,000,000 meals in 2001, or 2.1 million/week. But how much was Montana Beef?

Nonresident tourists spent more than \$332 million on restaurant meals and beverages, and another \$125+ million on groceries and snacks – not including meals consumed in the homes of friends and relatives.

A better mechanism is needed to link tourists – and the businesses that serve them – with Montana agricultural and ranching products.

Action C.1.2: Enhance Existing Programs with Focus on Tourist Markets

Link promotion of Farmers' Markets, Made-In-Montana/Grown In Montana programs to tourism promotion. Provide information in state and regional travel guides and web sites, and at VICs. Encourage producers to become active in local and regional tourism organizations, and network with tourism businesses to buy and/or promote their products. Responsibility: DOAg, DOC, NPO, Biz, TR



Action C.1.3: Develop Cooperative Marketing Campaigns between Agriculture & Tourism

Form marketing/advertising partnerships between agriculture and tourism in strategic target markets (similar to Napa Valley Winegrowers', or Florida Citrus Growers' partnerships with state and regional tourism promotion). Identify mutually-beneficial images/themes (western heritage/Montana beef, Big Sky Country/mountains/Montana water or malted barley). Work with agricultural marketing groups to create campaigns and leverage advertising dollars. Responsibility: DOC, DOAg, Ad, BTA, Biz

Action C.1.4: Educate Visitors about Montana Agriculture & Ranching

Expand ways to educate visitors about Montana agricultural and ranching products. Distribute brochures at VICs and hotels, promote farm/ranch tours or stays, place signs in fields identifying crops, tree species or breeds of animals, and conduct trade/technical tours for business groups, such as meetings and conventions, university researchers, etc. Work with farmers/ranchers to provide unique venues for meeting/convention events (receptions, barn dances, etc.). Responsibility: DOAg, TR, CVB, NPO, Biz

Measures of Success for Objective C.1:

- ♦ New mechanisms created to link ag products with restaurants and retailers
- ♦ Existing promotions expanded to target visitors
- ♦ Number and reach of cooperative advertising campaigns between ag and tourism
- ♦ Educational programs/tours created for visitors



Farm land near Bridger, MT

C.2 Objective: Create Partnerships to Address Asset Management Needs

Maintenance and operating costs to manage natural, historic and cultural assets continue to rise. Varying (and often conflicting) opinions exist about how - and to what extent - assets should be managed. Public-private-nonprofit-tribal partnerships will become increasingly important to addressing issues related to funding and management. To build partnerships and teams requires public input, stakeholder involvement, consensus-building

and conflict resolution. Efforts by stakeholders to identify common goals, seek solutions and take action can result in tremendous success.

Action C.2.1: Identify Opportunities for Partnerships & Funding to Address Asset Needs

Create and prioritize a list of needs that might be addressed by partnership projects and additional funding. Identify potential partners, roles, resources and tasks. Design partnership agreements to accomplish common goals and address needs. Expand membership of MTRI working group to include Dept. of Agriculture, DOR and BIA. Seek funding sources and advocate for additional funding to address asset needs. Responsibility: MTRI, SA, FA, NPO, TR, Biz, Trb

Action C.2.2: Evaluate Agency Regulations & Policies to Determine Differences in Priorities/Programs

Identify conflicting regulations or policies that create obstacles to partnerships. Work to resolve policy and program differences to better facilitate inter-agency partnerships. Responsibility: MTRI

Action C.2.3: Encourage Citizens to Volunteer for Asset Maintenance Projects

Expand programs that encourage citizen volunteers to assist with asset maintenance projects, such as trail reconstruction, clean-up, building picnic shelters, etc. Extend successful prototypes like "Adopt-A-Trail" to other facility needs ("Adopt-A-Campground, or Park, or Boat Ramp", "Adopt-A-Museum"). Use integrated teams of various user groups for establishing a sense of commonality among recreationists with different interests, as recommended by the State Trails Plan. Recruit volunteers from existing community organizations (Girl/Boy Scouts, families, church and community groups), or form specific "Friends of..." groups for particular sites/facilities. Responsibility: SA, FA, NPO, Trb

Measures of Success for Objective C.2:

- Number of opportunities identified and partnerships formed
- Number of regulatory or policy issues resolved (obstacles overcome)
- Number of volunteer projects undertaken, or sites adopted
- Number of volunteers (or volunteer hours) and value of time committed

"Tourism is the only growing industry in the state - we should not forget how this phenomenon has occurred as we proceed in the next five years. The success is due to the unique public/private partnership we have in place."

- Online Survey Participant

"The tourism industry, public-land managers, gateway communities and conservationists should develop partnerships which have the primary purpose of improving stewardship of the natural assets that is our greatest attraction...the emphasis for the partnership is stewardship rather than promotion. Visitors will be more impressed with partnerships aimed at stewardship of the resource than partnership aimed at getting their money."

- Public Comment on Draft Plan

C.3 Objective: Increase Awareness & Utilization of Business Assistance Programs among Tourism & Recreation Businesses

Many assistance programs exist to aid business owners and managers, from seminars and workshops to low-interest loan pools and workforce training funds. However, many tourism businesses are not aware of these programs, and often, the programs tend to target businesses in other sectors, such as manufacturing or high-tech. It is important to inform tourism and recreation businesses about the availability of these programs, and to encourage program managers to become familiar with tourism trends and issues. The "front line" of business assistance is the network of ten Small Business Development Centers (SBDC's) and twelve Microbusiness Development Corporations (MBDC's) across the state (see sidebar). MBDC's are certified to administer revolving loan funds, lending directly to businesses. The Department of Commerce also offers business, micro-business, finance and technical assistance. The Microbusiness Technical Assistance Program (MTAP) hosts monthly one-hour business roundtable discussions via audio-conference. Local economic development organizations and chambers of commerce also offer business assistance, as do local chapters of the Service Corps of Retired Executives (SCORE). Ensuring that tourism and recreation businesses are aware of the resources available to them will strengthen the tourism industry.

Action C.3.1: Provide Information about Business Assistance to Tourism & Recreation Businesses

Inform businesses about assistance programs through Department of Commerce newsletters, a statewide tourism listserv, regional tourism meetings, press releases and business trade associations. Responsibility: DOC, TR, BTA, MTTA

Action C.3.2: Offer Entrepreneurship & Management Training for Tourism & Recreation Businesses

Provide training for business owners and managers, such as the NxLevel course, marketing workshops and classes in financial management and labor issues, which are tailored to tourism and recreation industry issues and needs. Responsibility: DOC, SBDC, TR, Biz

Action C.3.3: Address Workforce Issues & Training Programs

Inform businesses about workforce training funds and incentives that are available for new or expanding businesses, or for retraining of dislocated workers. Identify ways to address challenges of workforce availability in shoulder seasons (college students returning to school before Labor Day), particularly in resort areas, as tourism promotion increases off-peak visitation. Responsibility: DLI, TR

"I feel that it would improve services offered if there were more programs for the recreation industry."

- Online Survey Participant

Montana Small Business Development Center (SBDC) locations:

- ♦ Billings
- ♦ Bozeman
- ♦ Butte
- ♦ Colstrip
- ♦ Great Falls
- ♦ Havre
- ♦ Helena
- ♦ Kalispell
- ♦ Missoula
- ♦ Wolf Point

Montana Microbusiness Development Corporation (MBDC) locations (all of the above, plus the following):

- ♦ Lewistown
- ♦ Glendive

Source: Dept. of Commerce

"We need more information about Generation X so we can plan and manage our emerging workforce successfully. Do not believe in more handouts from the government to offset reality costs of being in business. Need to provide opportunities for additional learning and training but not at taxpayer expense."

- Online Survey Participant

Tourism is an industry that exists around the premise of service. It is an industry created to satisfy people.

- Travel & Tourism Research Assn. (TTRA), *Customer Relationship Management in Tourism*

"Twenty businesses with five employees are just as important as that one business with 100 employees. Foster small business development for those that truly live and love Montana."

- Online Survey Participant

"Whenever possible we need to engage the private sector instead of just adding more bureaucracy."

- Online Survey Participant

Partnerships between the Forest Service and non-governmental organizations are a valuable program component and are also a focus of criticism from those who fear over-commercialization or undue influences on agency decisions.

- USFS Executive Summary, Issues & Concerns Related to Fee Demo Program

Action C.3.4: Encourage Financial Lending to Provide Capital for Tourism & Recreation Businesses

Make information available to businesses and potential businesses about lending programs available through state and local entities (MicroBusiness Finance Program, USDA Rural Development, SBA, low-interest loan pools, revolving loan funds, etc.). Encourage commercial lenders to use Community Reinvestment Act obligations to contribute to loan pools, or to support tourism and recreation business development. Responsibility: DOC, SBDC, MEDA

Measures of Success for Objective C.3:

- Number of tourism/recreation businesses who utilize assistance programs
- Number of training courses offered, and participation levels
- Workforce training funds used by tourism/recreation businesses
- Solutions identified for labor challenges during off-peak seasons
- Amount of lending to tourism/recreation businesses, and default rates over time

C.4 Objective: Identify Business Opportunities to Serve Visitors on Public Lands

National tourism and recreation trends indicate that visitors have increasing expectations of services, interpretation and transportation on public lands. The need for enhanced services, and for low-impact recreational activities, present opportunities for businesses to partner with land management agencies and provide services that agencies are not well-suited to offer. Examples include guided recreational activities (trail rides, hiking, biking, 4-wheel tours, rafting), group tours and transportation (snow coaches, interpretive bus or boat tours), and specialized theme trips (culture, geology, photography, history, painting). Additionally, services and amenities can be provided by businesses that are difficult to offer by agencies, such as equipment rental, firewood, food and beverage, or retail concessions, etc.

Action C.4.1: Identify Opportunities for New or Enhanced Tourism/Recreation Services

Evaluate opportunities for value-added services on public lands to enhance visitor experiences, and provide controlled, low-impact recreation (e.g., guided adventures, interpretive/eco-tours, etc.). Seek businesses to offer high-quality retail services to visitors, such as equipment rental, food and beverage, firewood, campground concessions, etc. Solicit proposals from businesses to provide services to visitors. Responsibility: SA, FA, Biz

Action C.4.2: Discuss Ways to Simplify Regulations & Permitting Processes While Protecting Assets

Reduce obstacles to value-added services provided by businesses by coordinating and simplifying regulations and permitting processes between agencies, while still retaining requirements that protect natural/historic/cultural assets. Obtain input from businesses and other stakeholder groups about changes. Responsibility: SA, FA, NPO, BTA, Biz

Action C.4.3: Investigate Contracting of Maintenance Operations to Private Businesses

Evaluate feasibility and cost-effectiveness of contracting for public facility maintenance to private businesses. Responsibility: SA, FA

Measures of Success for Objective C.4:

- ♦ Number of new tourism/recreation services offered to visitors
- ♦ Simplification of regulations/permitting processes to facilitate services
- ♦ Maintenance contract opportunities offered to businesses

C.5 Objective: Enhance Montana's "Edu-Structure" to Support Tourism

Education and training are critical components in the success of any industry or organization. Tourism and recreation are no exception. Professional development, workforce training, career tracking, leadership development, awareness of challenges/trends and ongoing institutional support all are important to creating a "system" of professionalism and economic success. Success in tourism and recreation is based on customer service – one of the most difficult aspects of any business or agency. Good service is dependent on understanding the changing needs and expectations of customers – and being able to respond to those needs appropriately and cost-effectively. ITRR nonresident visitor research in 2001 indicated that tourists were extremely satisfied with the hospitality and service they received in Montana. This is due in part to the Superhost! hospitality training and other educational programs that have helped to build service skills in the tourism and recreation industry.

Action C.5.1: Expand Education Programs for Tourism & Recreation Careers Expand degree programs at all levels (associates, bachelors, masters) related to tourism and recreation, such as hotel/restaurant management, public facility/resource/recreation management, small business/entrepreneurship, tourism marketing, financial management for tourism and recreation, executive culinary programs, etc. Support the programs through student recruitment, internships, work studies and employment opportunities. Offer specialized workforce training through community

"Commercial endeavors on public lands must not be to the detriment of resource values or compromise the public's ability to enjoy their lands."

- Online Survey Participant



Montana State University, Bozeman



colleges and distance learning. Expand secondary education programs (such as Teens in Tourism) to grow a pool of interested and informed potential employees in high schools. Enhance the Superhost! program to include advanced level training in communication skills, conflict resolution, team-building and supervisory skills. Responsibility: Univ, Ext, TAC, Biz

Action C.5.2: Develop a Staff Training Program for VICs

Create a VIC staff training program to include information about the VICs' role in Montana's tourism system, information services/displays, merchandising, reservations/booking services, volunteer recruitment/motivation/retention, volunteer management/reward/incentive systems, volunteer "employment" contracts and performance reviews, tracking inquiries/visitors, data management, facility management and maintenance, partnership development with private and nonprofit sectors, fam tours, tracking of visitor referrals from VICs, etc. Include options for testing and certification/rewards, based on increasingly higher levels of volunteer development. Responsibility: DOC, VIC, TR, CVB, CC

Action C.5.3: Provide Regional Familiarization Tours for State/Regional/Tribal/Local Tourism Staff

Plan and conduct regional "fam" tours for employees of VICs, tourism regions, Department of Commerce, call center, attractions, hotel "front-liners" and others who have marketing or customer contact responsibilities. Familiarize staff with their own regions, as well as other regions of the state (feature one or two regions each year in late spring, prior to peak season), as part of annual state VIC workshop. Responsibility: TR, DOC, VIC, Attn, Biz

Action C.5.4: Include Educational Presentations at Tourism & Recreation Meetings & Events

Plan for educational presentations at TAC, tourism region, CVB and MTRI meetings. Include topics such as tourism trends – needs and preferences of targeted visitors (Canadians, matures, international, heritage/cultural, business travelers, etc.), tourism research methods and uses, marketing, partnerships and public policy. Responsibility: TAC, TR, CVB, MTRI

Action C.5.5: Work with MSU to Create "Tourism Extension Agents" in Each Tourism Region

Create tourism specialists through the university extension system, placing one specialist in each tourism region. Focus efforts on rural communities and linkages between agriculture and tourism. Initially, fund the program through rural development grants. Responsibility: MSU, DOC, DOAg, TR

Re. Tourism Extension Agents:

"There should be one in at least each 'Country'. Chamber of Commerce people burn out, tourism "boards" burn out - there should be a constant factor. In your entire draft, this would have my vote as the number one thing to accomplish. And then don't locate the agent in the larger communities!"

- Comment on Draft Tourism Plan

Measures of Success for Objective C.5:

- ♦ Extent of university/college degree programs offered for tourism & recreation
- ♦ Adult education and distance learning programs offered
- ♦ Secondary education programs/curricula related to tourism & recreation
- ♦ Enhancements to Superhost!
- ♦ Development of staff training for VICs
- ♦ Number of fam tours offered for marketing/front-liner staff, participation levels
- ♦ Number and quality of educational programs offered at tourism/recreation meetings
- ♦ Creation of Tourism Extension Agents in each tourism region

C.6 Objective: Build Funding Partnerships to Leverage Existing Dollars

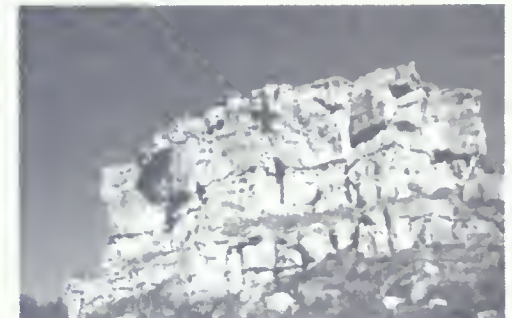
The Montana lodging tax supports visitor facilities and projects of Montana Fish, Wildlife & Parks, the Montana Historical Society, and the Lewis & Clark Bicentennial Commission. Other state and federal funds also support recreation-related facilities, as well as infrastructure (roads, airports, parks, national forests, etc.). As resident and nonresident use of recreation facilities and services has increased, funding for those assets has remained stagnant or declined, so revenues are not keeping up with costs for maintenance and operation. Partnerships are a key to funding for public recreation facilities and services.

Action C.6.1: Encourage Strategic Partnerships for Cooperative Project Funding

Leverage existing dollars for facility and service projects by forming strategic partnerships between organizations that can access funds from multiple sources (state, federal, foundations, corporate, etc.). Examples are the Traveler's Rest State Park, Pompeys Pillar and Western Montana Cultural Corridors projects, which included state, federal, local, private, nonprofit and tribal partners. Responsibility: SA, FA, TR, CVB, CC, Biz, NPO

Action C.6.2: Identify Opportunities to Pool Public & Private Marketing Dollars

Coordinate local/regional businesses and attractions to pool a percentage of their *existing* marketing budgets to leverage lodging tax funds for higher impact promotions. Explore opportunities to partner between state and regional partners for targeted promotions, generate advertising revenue from state/regional web sites, etc. Responsibility: TR, CVB, Biz, DOC, Attn, Ad



Pompeys Pillar

"...the success of much of this strategic plan will only be obtainable with very strong partnerships."

- Public Comment on Draft Plan

"Need to implement a sales tax so tourists pay their own way. Lift that burden off the Montana taxpayer."

- Online survey respondent

Federal Fee Demo Program

The Land & Water Conservation Fund Act (1965, 1972), authorized federal agencies to collect entrance, admission, and other fees. Beseated by financial difficulties from rising levels of visitation and operating costs, and unfunded infrastructure repair, Congress passed the Recreational Fee Demonstration Program (HR 2107) in March 1996. Public Law 106-291 extended the program through Sept. 2004; with revenues available until Sept. 2007.

The intent of the program is to test...fees that are reinvested in recreation areas on federal lands and used to maintain and improve natural resources, facilities and services.

The Fee Demo Program allows the Dept. of the Interior (NPS, BLM, USFWS) and Dept. of Agricultural (USFS) to implement and test fees across the geographic and programmatic spectrum of sites that they manage. The participating agencies can retain all Fee Demo revenues, and at least 80% of the revenues at the collection sites to provide on-the-ground improvements at local recreation sites.

Source: DOI, USDA, Grant-Kohrs Study - J. Conner

Measures of Success for Objective C.6:

- Number of new partnerships formed
- Number of projects and dollars leveraged for cooperative projects
- Amount of pooled funding used for enhanced promotions
- Number of private and nonprofit partners involved in cooperative promotions

C.7 Objective: Develop Additional Funding Sources for Tourism & Recreation

Lodging tax funds cannot be used to address all projects and needs related to tourism and recreation. The primary purpose of the lodging tax is for tourism promotion – to attract high-value, low impact visitors to and around Montana – in a very competitive national and international environment. But money also is needed for facilities and services that support tourism and recreation for both Montanans and visitors, such as parks, historical/cultural sites and facilities, search and rescue/EMS, etc. Declining state and federal budgets present challenges for facility and asset managers. Additional sources of funding are needed to address facility and service needs, so that promotion dollars are not hemorrhaged to the point of ineffectiveness.

Communities like Whitefish and West Yellowstone have very successful local option taxes to support services for both residents and visitors. Other states use recreation districts, auditorium districts and other special designations to support local recreation facilities and services. User fees like the federal fee demo program (see sidebar) have been effective in providing site-specific funds for maintenance and operation of recreation facilities and programs. Several studies have shown that visitors are willing to pay entrance and recreation fees to support high-quality facilities and services. Appendix C lists more than 50 resources that are available from state, federal and foundation sources for recreation, infrastructure, historic and cultural projects.

Action C.7.1: Consider Selective &/or Local Option Taxes on Goods & Services Used by Tourists

Consider selective taxes on services used primarily by travelers, such as hotels, car rental, outfitted services, etc. Allow cities and counties to pass local option taxes, which target goods and services used by travelers to support local facilities and services for both residents and visitors.

Responsibility: Leg, MACo, MLCT, BTA, Biz

"Local park districts are able to form under MCA 7-16-2401-2443. However, a more specific tax district for local tourism would be equally if not more important."

- Online Survey Participant

Action C.7.2: Evaluate Expansion of User Fees for Public Facility Recreation

Consider user fees, such as the federal fee demo program or state recreation fees, to supplement revenues for maintenance and operation of recreation sites and facilities. Focus on activities/users that currently do not pay fees through recreation vehicle licensing (e.g. activities such as hiking, mountain biking, float boating, cross-country skiing, tent camping, etc.). Work with the Interagency Recreational Fee Demonstration Program Coordination Task Force. Responsibility: SA, FA, NPO

Action C.7.3: Encourage Attractions to Generate more Revenue from Visitors

Help local attractions (museums, parks, etc.) develop revenue programs to support maintenance and operations, such as entrance fees, "friends" groups, corporate sponsors/donations, gift shops, education activities, VIP cards, etc. Include ways to address the needs of local residents, school groups, etc., so that they are able to access local facilities. Responsibility: MHS, FWP, MRPA, DOC, NPO, Biz

Action C.7.4: Develop Local/Regional Revenue-Sharing Visitor Packages

Create local/regional visitor packages, with a percent of the purchase price dedicated to support asset maintenance and operation needs. Promote the packages through state and regional promotions, web sites, businesses and tour brokers/agents. Responsibility: TR, CVB, DOC, Biz, Attn, NPO

Action C.7.5: Create a "Montana Visitor Passport" Program, with a Portion of Proceeds from Passport Sales used to Support Local/Regional Tourism Efforts

Develop a statewide passport program that visitors can purchase for admission to a variety of attractions and events statewide. Include in the price a dedicated percentage to support asset maintenance/operation needs. Promote the passports through Dept. of Commerce, tourism regions, agencies and businesses. Responsibility: MTRI, DOC, TR, Attn, NPO, Biz, Ad

Action C.7.6: Seek Additional Revenue for the Block Management Program

Enhance the amount of reimbursement for farmers and ranchers who agree to participate in the block management program, to help mitigate costs of impacts from allowing public access to private lands for hunting and fishing. Responsibility: FWP, LO, NPO

Comments about User Fees

PRO:

- "Fees are an important source of funds to provide quality recreation experiences and seem to be readily accepted when they provide direct support to and enhance the quality of the facilities being used."
- "The whole thing to me is about balance. We were asked to be "stewards" not "curators" of these lands and resources. ...I strongly support fees for use, limiting access where there needs to be limits and private sector use and development of appropriate types of tourism and other industry on more of Montana's lands."
- "I'm a firm believer in user fees but we have to be careful not to simply create new taxes. The federal fee demo program is starting to work ok & could be used as an example of how user fees can be dedicated to pay for maintenance & development of infrastructure."

CON:

- Recreation fees are likely to affect some visitors enough economically that they decide to recreate in non-fee areas. (USFS Exec. Summary, Fee Demo)
- "Be sure to have specific goals & objectives when thinking of fees and taxes. We want to encourage tourism not detour it."
- "The fee issue has a lot of concerns and downright opposition to it. There are some systemic questions that need to be addressed before we jump into fees."
- "No user fees for residents to support tourism!"

Source: Online Survey (except where noted)

"Block Management needs lots more money to make it attractive to farmers and ranchers."

- Online Survey Participant

Measures of Success for Objective C.7:

- Amount of additional funding generated for asset maintenance & operations
- Success of selective/local option tax programs
- Success of user fee programs
- Number of revenue-generating programs implemented by attractions
- Number of revenue-sharing visitor packages developed, and funding generated
- Number of passports sold, and funding generated
- Amount of additional revenue generated for Block Management Program

"Decision is the spark that ignites action. Until a decision is made, nothing happens."

- Wilfred A. Peterson

C.8 Objective: Develop Partnerships to Facilitate Implementation of Strategic Plan

Considerable time, effort and money was invested to create this Strategic Plan document. The Plan is intended to be page-worn, dog-eared and well-used by tourism and recreation stakeholders at all levels – not just by Department of Commerce and MTRI. It is designed to provide a blueprint for implementation – a roadmap to achieving the vision and goals defined by Montanans through public input during the planning process. Regional tourism organizations are slated to play a critical role in Plan implementation – requiring them to expand their mission and roles beyond that of just tourism promotion. The Plan will not be implemented unless all stakeholders take responsibility for their own participation – and form partnerships to accomplish the objectives and actions described in this chapter. Chapter 6 provides more detail about the implementation priorities, timeline and organizational needs. However, first the actions listed below must be addressed so that implementation can proceed.

Action C.8.1: Conduct Workshops in Each Region to Discuss Plan Implementation

Schedule implementation workshops during 2003 in each tourism region, with MTRI representatives, and other stakeholders, to discuss the actions, timeline and responsibilities included in the Plan, and roles of key stakeholder groups. Responsibility: TR, DOC, CVB, SA, FA, NPO, Biz

Action C.8.2: Conduct Training for Region/CVB Boards of Directors & Members

Help build the capacity of regional tourism organizations and CVBs to enable them to fill their critical role in the implementation of this Strategic Plan. Provide training in planning, organizational and partnership development, collaborative problem-solving, conflict resolution, and effective marketing.

"By working together, all of us can accomplish more. This is a critical piece to the whole puzzle of economic development in Montana. Each piece of that puzzle has to be willing to give a little in exchange for some of the take."

- Online Survey Participant

Schedule training in 2003, perhaps in conjunction with the Strategic Plan implementation workshops described in Action C.8.1. Responsibility: TR, CVB, DOC

Action C.8.3: Obtain Funding to Enhance Regional Tourism Organizations

Apply for economic development funds through the U.S. Economic Development Administration (EDA) and/or USDA Rural Development (RBEG/RBOG grants), or similar programs, to expand capacity of regional tourism organizations so they can broaden their missions/outreach to address tourism challenges. Assist regions in strengthening their capacity to build partnerships with private, public, tribal and nonprofit organizations to address local/regional issues related to tourism and recreation. Help them develop strategic programming that will increase revenues from high-value, low impact visitors, particularly during off-peak times, consistent with local values.

Responsibility: DOC, TR, TAC, FA

"Work towards 'working together, cooperation, etc.', rather than 'have it my way or not at all' attitude."

- Online Survey Participant

Action C.8.4: Coordinate Strategic Plan Implementation & Monitoring through Dept. of Commerce

Continue to assign responsibility for Strategic Plan coordination and monitoring to the MTRI Coordinator at Department of Commerce. Include responsibility to communicate not only with MTRI, but also with the regions & CVBs, advisory team and other stakeholders about the status of Strategic Plan implementation. Consider joint planning effort between DOC and FWP for 2008-2012 Tourism and Recreation Strategic Plan and Statewide Comprehensive Outdoor Recreation Plan (SCORP).

Responsibility: DOC, MTRI, FWP

Action C.8.5: Form an Implementation Team of Private/Public/Tribal/Nonprofit Representatives

Create a Strategic Plan Implementation Advisory Team consisting of key representatives from stakeholder groups (private, public, tribal, nonprofit). Schedule one or two meetings annually to discuss the implementation status of Strategic Plan actions. Address successes and challenges, and ways to overcome obstacles. Encourage stakeholder representatives to identify ways in which their respective organizations can assist with implementation, develop partnerships, or seek resources to support the program. Responsibility: DOC, TAC, MTC, MTRI, Trb, NPO, Biz



Action C.8.6: Coordinate Implementation with Governor's Office of Economic Opportunity

Ensure that key components of the Tourism & Recreation Strategic Plan are included in the Business Montana Strategy for Economic Growth. Coordinate with the Governor's Office of Economic Opportunity to address tourism and recreation issues, and to link tourism with other economic development initiatives (business recruitment, retention). Responsibility: DOC, MTC, BTA, MEDA

Action C.8.7: Develop a User-Friendly System of Annual Reporting on Status of Strategic Plan

Create an annual Strategic Plan Report Card, which provides an update of implementation status. Provide user-friendly mechanisms for implementation partners to report progress/successes/challenges to the Implementation Coordinator. Provide copies of the Report Card to the TAC, MTRI, Advisory team, regions/CVBs, stakeholder groups, elected officials, and give a presentation on successes/challenges at the annual Governor's Conference on Tourism & Recreation. Responsibility: DOC, MTRI, TR, CVB, NPO, MTTA

"If we did all the things we are capable of doing, we would literally astound ourselves."

- Thomas A. Edison

Measures of Success for Objective C.8:

- Positive participant evaluations of implementation workshops and training for regions
- Amount of funding obtained to build capacity of tourism regions
- Participation in Advisory Implementation Team, and accomplishments
- Linkages between Tourism Strategic Plan & Montana Strategy for Economic Growth
- Success of Plan coordination, monitoring and reporting, lead by Department of Commerce
- Combination of Tourism and Recreation Strategic Plan and SCORP for 2008-2012

"It is strategic thinking and acting that are important, not strategic planning."

- John Bryson, *Strategic Planning for Public & Nonprofit Organizations*

A. Implementation Process & Steps

Strategic implementation begins with building awareness and creating a team. The first step is formal adoption of the Strategic Plan by the Tourism Advisory Council, and distribution of the Plan statewide. The next step – and a critical one – is to build advocacy and obtain formal endorsements of the Plan from as many tourism and recreation stakeholder groups as possible. Ideally, these would be in the form of resolutions passed by boards of tourism regions, CVBs, economic development groups, nonprofit organizations, business trade associations, inter-agency committees like MTRI, tribal councils, MTTA, elected officials, etc.

The third step is to form partnerships and assign responsibilities for specific actions and tasks. Some tasks can begin immediately with very little cost, while others will require more time to develop partnerships and resources. Fourth is to seek funding and technical resources for implementation of top priority actions. Appendix C contains a list of federal, state, local, private and nonprofit foundation resources that will support the actions identified in this Plan.

The fifth step is to build the capacity of regional tourism organizations through training and other resources, so that they can lead the team-building and implementation efforts at the local level. Enhancements to the regional organizations may include additional staffing, refinements to the membership of their boards of directors (recruit additional partner representatives), expansion of organization membership, formalized programs of work, expanded committees, etc. This step also includes fortifying the communication network with a statewide tourism and recreation listserv and online newsletter.

The sixth step is to begin implementation of top priority actions (see section 6.C). It is important to focus on "base hits" (incremental successes) rather than "home runs": build momentum to engage partners and create successes. Finally, the seventh step is to monitor and evaluate the results of implementation, and adjust as appropriate.

Steps 1 and 2 should begin with the Tourism Advisory Council meeting in October 2002. Steps 3, 4 and 5 should get underway in late Fall 2002 and be well advanced by mid-2003, so that implementation of the plan has begun by the second quarter of 2003. Steps 6 and 7 are ongoing through 2007.

Chapter 6: Implementation

- A. Implementation Process & Steps
- B. Organization, Roles & Resources
- C. Priority Projects & Action Table

"Even if you're on the right track, you'll get run over if you just sit there."

- Will Rogers

Implementation Steps

1. Adoption of Strategic Plan by TAC, & statewide distribution
2. Endorsement by other stakeholder groups
3. Form partnerships to assign tasks
4. Seek funding & other resources
5. Build capacity of tourism regions, communication network
6. Begin implementation
7. Monitor results & evaluate/adjust

"The whole is as necessary to the understanding of its parts, as the parts are necessary to the understanding of the whole."

- Mach's Principle

"See problems as opportunities for growth: there are no roadblocks, only speed bumps."

B. Organization, Roles & Resources

B.1 Existing "System" of Tourism & Recreation has Strengths, Growing Pains

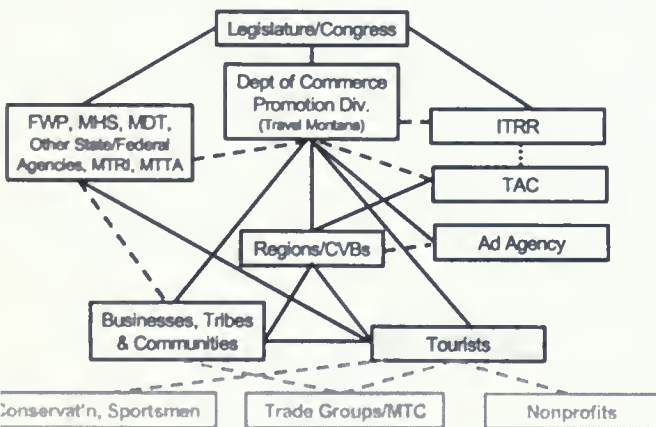
Montana's current "system" of tourism and recreation program implementation is led at the state level (Figure 6.1). Tourism promotion and development are the responsibility of the Dept. of Commerce Promotion Division. Research is conducted by the U of M Institute for Tourism & Recreation Research (ITRR). Recreation management is the responsibility of the FWP, and heritage and culture are managed by the Montana Historical Society, Montana Arts Council and Montana Tribal Tourism Alliance. Transportation is managed by MDT. Collection/disbursement of lodging tax is managed by Dept. of Revenue (DOR). Federal agencies involved in tourism and recreation are the National Park Service, U.S. Forest Service, BLM, U.S. Fish & Wildlife Service, FHWA, FAA, Corps of Engineers and Bureau of Reclamation. Funding and public policy decisions are made by the Legislature and Congress.

At the regional and local levels, tourism promotion and development are led by regional tourism organizations, CVBs and chambers of commerce. Recreation management is the responsibility of city, county and tribal recreation staff, and local park districts. Heritage and culture are managed by local and regional historical societies, arts commissions and cultural councils. Transportation is handled by county and local road districts and airport boards.

Citizens and businesses are involved through local recreation, sports, conservation, business, community service or sportsmen's organizations and clubs. Funding and public policy decisions are made or influenced by city councils, county commissioners and organization boards of directors.

The current system has succeeded in building and supporting tourism in the 1990s. The system's vertical structure has been efficient for decision-making and funding during high growth. However, some key stakeholders are not formally included in the process, and potential resources are untapped. With growth comes growing pains, and the need for strategic action. Tourists now receive many messages from many sources – and sometimes the messages are inconsistent or even conflicting. Therefore, the current structure needs some refinement to facilitate the horizontal communication, partnership-building and teamwork that will be required to implement the actions described in the previous chapter.

Figure 6.1: Existing System of Tourism & Recreation Communication, Organization Relationships & Funding



B.2 Refined System will Foster Team Approach to Communication & Funding

The refined “system” of tourism and recreation program implementation has a more horizontal structure, reflecting its emphasis on collaboration and supportive partnerships (Figure 6.2). It places tourists at the top of the structure to focus on a market-driven approach which meets the needs of both Montanans and nonresident visitors. The six regional tourism organizations are the center of the system, reflecting their enhanced role in facilitating local and regional leadership in implementing strategic actions. A key concept in the refined system is to create more horizontal communication and partnership-building, both at the state level (led by Department of Commerce) and regional level (led by regional tourism organizations).

The role of the Department of Commerce in handling statewide promotions – being the “keeper of the state’s image” does not change, nor does the statutory responsibility of the Tourism Advisory Council (TAC) to oversee expenditures of funds by regions and CVBs. However, the role of the TAC and Department of Commerce focuses more on “big picture” strategic issues, rather than tactical issues, and on supporting a stronger system of regional organizations, with the assistance of other state, federal and tribal partners.

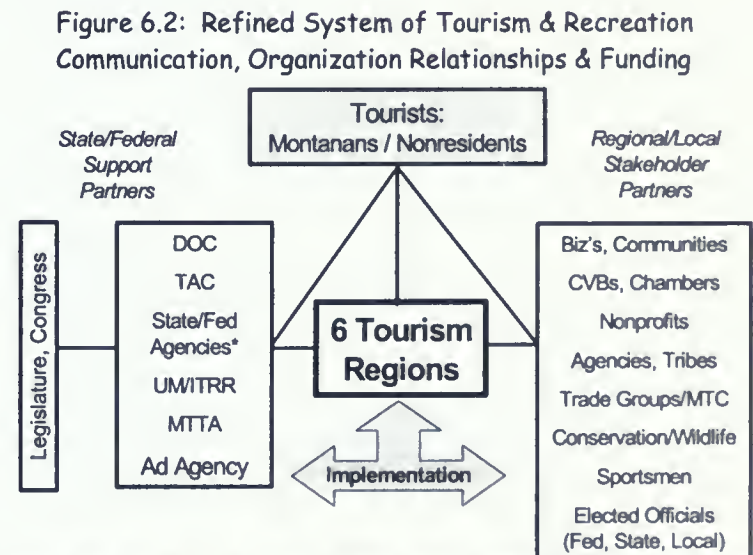
In order for actions in the Strategic Plan to be implemented successfully, and for tourism to be taken seriously as a bona fide economic development strategy at the local level, the regional organizations must expand the scope of their activities beyond just tourism promotion – they must become “players” – the “voice” for tourism and its role in regional/local planning, economic development and conservation efforts.

A key advantage to the refined system is its ability to tap additional resources: more partners bring more resources to the table. There are numerous federal, corporate and foundation funds available for tourism and recreation-related projects, if they are linked to economic development, heritage/cultural programs, value-added agriculture, transportation, conservation and education. By reaching out to other partners, tourism stakeholders can create win-win programs to achieve the vision and goals identified in this Strategic Plan. They therefore can preserve the lodging tax for its original intent: promotion, research and education, and they can work with partners to obtain other funds to accomplish additional actions that support community values and high-value, low-impact tourism and recreation.

“The only limits are, as always, those of vision.”

- James Broughten

When you help someone up the hill, you’re that much nearer the top yourself.



"Obstacles are those frightful things you see when you take your eyes off the goal."

- Hannah More

"Never tell people how to do things. Tell them what you want them to achieve and they will surprise you with their ingenuity."

- General George S. Patton

"Vision is the world's most desperate need. There are no hopeless situations, only people who think hopelessly."

- Winifred Newman

C. Priority Projects & Action Table

This Strategic Plan identifies many objectives and strategic actions, as detailed in Chapter 5. However, not all of those actions are of equal priority. Table 6.1 on the next three pages lists all 22 objectives and 94 actions, and assigns a priority to each action (priority 1, 2 or 3), with approximate implementation dates (2003-2007) and partners. Actions listed as priority 1 will begin immediately with focused emphasis. Priority 2 actions will receive less emphasis, or begin later, and priority 3 actions will have lower emphasis still, or begin after 2005. Some actions are ongoing from current or previous efforts, and are assigned a priority based on the planning team's recommendation of relative importance to achieving the strategic vision and goals. The timeline is identified by shaded boxes under each of the five years. The darker shading indicates a more intense level of activity during that year for a particular action.

The top priority actions for immediate implementation are listed below. In determining priorities, the planning team considered the context of current tourism trends and challenges, as well as balance and capacity among implementation partners and resources.

- Conduct implementation workshops with TAC/regions/CVBs/stakeholders in 2002 and 2003
- Form implementation team, seek funding and technical resources, create reporting system
- Identify funding partnership opportunities for projects and promotions
- Build awareness among citizens & elected officials of tourism's benefits and impacts
- Continue strategic advertising and promotions, coordinate between state and regions
- Focus on high-value, low-impact visitor market segments: develop Montana's niche in meeting/convention, heritage/cultural and winter markets
- Emphasize management of natural/historic/cultural assets that balances the needs of Montanans with nonresident use
- Address management issues related to access, non/motorized use, and invasive species
- Conduct strategic research, data collection, analysis and dissemination of information
- Establish a tourism & recreation listserv to strengthen communication and networking
- Continue to improve Montana's transportation network, sign guidelines
- Educate visitors about ethics and responsibilities on public & private lands
- Complete implementation of Lewis & Clark Interpretive Sign strategy
- Link value-added agricultural products with tourism businesses
- Assist businesses & communities through existing training and support programs
- Continue CTAP, TIIP and SEGP programs to provide resources to communities

Table 6.1: Strategic Plan Objectives and Actions

Objective Action	Priority	Timing					Partners (See page 136 for key to codes)
		03	04	05	06	07	
A. Managing Information							
A.1 Maintain the Montana Lodging Tax for Tourism Promotion and Development							
A.1.1 Build citizen awareness about benefits/impacts of tourism and uses of lodging tax	1						DOC,TR,CVB,FWP,Ext, BTA,Biz,Ad,NPO,MTC,ITRR,MTTA
A.1.2 Build awareness among elected officials about tourism's impacts and benefits	1						TR,CVB,DOC,TAC,MTC,BTA,Biz,MTRI,ITRR,NPO,MTTA
A.1.3 Seek endorsements from communities and "non-tourism" organizations	2						MTC,BTA,NPO,CVB,TR,DOC,TRB,TAC
A.2 Conduct Strategic Promotions that Attract Top Priority Markets							
A.2.1 Coordinate advertising to maximize state, regional & private Return on Investment	1						Ad, DOC,TR,CVB,Biz,Attn
A.2.2 Encourage cross-promotion between tourism partners and sectors	2						DOC,Ad,DOAg,NPO,TR,BTA,Trb,Biz
A.2.3 Consider options for film production incentives	3						DOC,TAC,TR,CVB,Biz
A.2.4 Plan for promotion of special events & challenges	3						DOC,MLCBC,TR,CVB,NPS,Biz,Ad,FWP
A.3 Create New Tourism & Recreation Products through Packaging							
A.3.1 Assess potential for local/regional packages, & coordinate suppliers	2						TR,CVB,Biz,Attn, NPO,DOC,Trb
A.3.2 Promote off-peak weekend getaway packages/events to "nearby" markets	2						DOC,TR,Biz,CVB
A.3.3 Capture more pass-through travelers with mini-packages	2						Biz,CVB,Attn,TR,DOC,Trb,CC
A.4 Create New "Destinations" with Special Designations & Events							
A.4.1 Work with MDT & legislature to implement Montana byways & corridors programs	2						MDT,TR,Trb,NPO,Biz,MHS,CVB,L6,CC,DOC
A.4.2 Use collaborative efforts to create special designation areas	2						MDT,TR,CC,CVB,DOC,NPO,Trb,L6,Biz
A.4.3 Seek opportunities to host national/international sports competitions	3						CVB,Biz,TR,DOC,L6
A.5 Enhance Montana's Winter Recreation Products/Services							
A.5.1 Refine Montana's niche in the destination ski market & snowmobile markets	1						DOC,BTA,Ad,Biz
A.5.2 Package skiing & snowmobiling with other activities	2						BTA,TR,CVB,Biz,Attn,NPO
A.5.3 Expand "alternative" winter activities	2						TR,CC,CVB,Biz,Attn,NPO, Trb
A.6 Attract More Meetings & Conventions to Montana							
A.6.1 Refine Montana's niche and "brand" in the meeting/convention market;	1						CVB,DOC,BTA,Biz,Ad,L6
determine feasibility of enhanced facilities	2						CVB,DOC,BTA,Biz,Ad,L6
A.6.2 Conduct training on the needs & trends of meeting/convention markets	2						CVB,DOC,Biz,BTA,Univ
A.6.3 Use local historical/cultural attractions to enhance venue offerings	2						CVB,TR,Biz,Attn,MAC,MHS, NPO
A.7 Enhance System of Tracking, Analysis & Information Dissemination for Stakeholders							
A.7.1 Continue strategic research about resident & nonresident travelers	1						ITRR,BBER,DOC,TAC,TR,MLCBC,SA,FA,Biz
A.7.2 Regularly measure Montanans' opinions about tourism & recreation	1						ITRR,DOC,TAC,MTRI,SA,FA,Biz
A.7.3 Conduct regular conversion research to measure results of marketing efforts	2						DOC,TR,ITRR,Ad,CVB
A.7.4 Establish a central "clearinghouse" for data collection, analysis and reporting	1						ITRR,DOC,TR,MTRI,CVB,Attn,Biz, MTTA
A.7.5 Create a statewide "baseline" database of tourism & recreation assets	2						ITRR,DOC,TR,DOR,MTRI,BTA,MRPA,MTTA
A.7.6 Enhance data-gathering systems at attractions & VIC's	1						MTRI,TR,VIC,CVB,CC,Trb,DOC,ITRR
A.7.7 Upgrade lodging tax reporting systems at Montana Department of Revenue	2						DOR,DOC,BTA,ITRR
A.7.8 Coordinate with the private sector for enhanced tracking/reporting	3						CVB,CC,TR,BTA,ITRR,DOC
A.8 Create a Connected System to Share Information & Resources							
A.8.1 Create a tourism & recreation listserv to share information	1						ITRR,DOC,MTC,MTRI,MTTA,TR,NPO
A.8.2 Create a database of tourism/recreation technical & funding resources	3						DOC,MEDA,BBER,MRDP,DLI
A.8.3 Share information about state/regional advertising plans to facilitate coordination	1						DOC,Ad,TR,CVB,Biz
A.8.4 Enhance sharing of tourism & recreation photo libraries	3						DOC,TR,CVB,NPO,MTRI

Table 6.1: Strategic Plan Objectives and Actions

Objective Action	Priority	Timing					Partners (See page 136 for key to codes)
		03	04	05	06	07	
B. Managing the Use of Assets							
B.1 Seek Balance Between Asset Protection & Visitor/Business Needs							
B.1.1 Compile an inventory/evaluation of natural/historic/cultural assets & facilities	2						SA,FA,Trb,LG,NPO,Biz,MTRI,MRPA
B.1.2 Select management options that emphasize balanced resident and nonresident use	1						SA,FA,Trb,LG,NPO,Biz
B.1.3 Develop systems of allocated use in sensitive areas	2						SA,FA,Trb,NPO,Leg,F&W Commis.,OLB
B.1.4 Evaluate licensing for all guided recreation activities that involve safety risk	3						OLB,Leg,SA,FABTA
B.1.5 Address motorized vs. non-motorized recreation user conflicts	1						SA,FA,NPO,LO,Biz,LG
B.1.6 Address invasive species problems through partnerships & educational programs	1						SA,FA,DOAg,RC&D,NPO,LO,Biz,
B.1.7 Encourage appropriate use of land conservancy programs	2						FA,DOAg,Ext,LO,NPO
B.2 Address Access Issues on Public & Private Lands & Waters							
B.2.1 Support implementation of strategies to improve access to public lands & waters	1						SA,FA,Trb,NPO,LO
B.2.2 Expand the Block Management Program for access to private lands	3						FWP,LO,TR,NPO
B.2.3 Use special groups to facilitate discussion of access to public/private lands & waters	2						SA,FA,NPO,TR,Trb
B.3 Develop an Enhanced Transportation System in Montana							
B.3.1 Advance implementation of Montana's rest area strategy	2						MDT,DOC,TR,CC,VIC,NPO
B.3.2 Continue to improve roads and bridges; address maintenance backlog	1						MDT,SA,FA,MACo,MLCT
B.3.3 Work with air carriers/airports to identify needs & enhance air service	2						MDT,DOC,TR,CVB,Biz
B.3.4 Advocate for passenger rail service	2						DOC,TAC,TR,CVB,Biz,MDT
B.3.5 Work with car rental agencies to identify needs & enhance services	3						TR,CVB,CC,Biz
B.3.6 Identify opportunities for transit/shuttle transportation in major destination areas	3						MDT,TR,CC,NPS,A11n,Biz,MLCT,MACo
B.3.7 Enhance Montana's trail system	2						MDT,MTRI,STAC,NPO,LG,Trb,Biz,LO
B.4 Create a Comprehensive & Interactive "System" of Visitor Information & Interpretation							
B.4.1 Enhance state rest areas & VIC's with Montana highlights	2						MDT,DOC,DOAg,TR,CVB,VIC,CC,Biz,Leg,FWP
B.4.2 Educate visitors about ethics and responsibilities on public & private lands	1						MTRI,NPO,FWP
B.4.3 Complete implementation of statewide Lewis & Clark interpretive sign strategy	1						MTRI,MLCBC,MHS,DOC,MDT,FWP
B.4.4 Provide professionally-researched interpretive programs & facilities for visitors	2						MHS,FA,Trb,Univ,FWP
B.5 Improve Statewide System of Highway Signs							
B.5.1 Develop/implement sign guidelines for services, attractions & businesses	1						MDT,DOC,TR,MACo,MLCT,Biz,MHS,BTA,Trb,MTTA
B.5.2 Encourage statewide adoption of visitor-friendly symbol signs	3						MDT,DOC,TR,Biz
B.5.3 Address appropriate use/placement of billboards while maintaining landscapes	3						TR,MDT,Biz,MACo,MLCT
B.6 Assist Communities to Enhance Facilities/Services for Tourism Development							
B.6.1 Continue Community Tourism Assessment (CTAP) & Tourism Infrastructure Improvement (TIIP)	1						DOC,LG,Ext,ITRR
B.6.2 Encourage review of city/county/tribal infrastructure & public services	2						LG,Trb,MLCT,MACo,TR,NPO,Biz
B.6.3 Enhance heritage/cultural facilities & attractions to meet visitor needs	2						MHS,MAC,Trb,NPO,Biz,FWP
B.6.4 Encourage community participation in the National Main Street Program	2						DOC,MLCT,MEDA,MHS
B.6.5 Encourage communities to use strategic planning & development tools	2						MLCT,MACo,DOC,MEDA

Table 6.1: Strategic Plan Objectives and Actions

Objective Action	Priority	Timing					Partners (See page 136 for key to codes)
		03	04	05	06	07	
C. Creating Teams							
C.1 Identify Opportunities to Link Agriculture with Tourism							
C.1.1 Create mechanisms for tourism businesses to use Montana agricultural products	1						DOAg,BTA,TR,CC,Biz
C.1.2 Enhance existing programs with focus on tourist markets	3						DOAg,DOC,NPO,Biz,TR
C.1.3 Develop cooperative marketing campaigns between agriculture and tourism	2						DOC,Ad,BTA,Biz,DOAg
C.1.4 Educate visitors about Montana agriculture & ranching	3						DOAg,TR,CVB,NPO,Biz
C.2 Create Partnerships to Address Asset Management & Funding Needs							
C.2.1 Identify opportunities for partnerships to address asset needs	1						MTRI,SA,FA,NPO,TR,Biz,Trb
C.2.2 Evaluate agency regulations & policies to determine differences in priorities/programs	2						MTRI
C.2.3 Encourage citizens to volunteer for asset maintenance projects	3						SA,FA,NPO,Trb
C.3 Increase Awareness & Utilization of Business Assistance Programs							
C.3.1 Provide information about business assistance to tourism & recreation businesses	1						DOC,TR,BTA,MTTA
C.3.2 Offer entrepreneurship & management training for tourism & recreation businesses	2						DOC,SBDC,TR,BIZ
C.3.3 Address workforce issues & training programs	2						DLI,TR
C.3.4 Encourage financial lending to provide capital for tourism & recreation businesses	2						DOC,SBDC,MEDA
C.4 Identify Business Opportunities to Serve Visitors on Public Lands							
C.4.1 Identify opportunities for new or enhanced tourism/recreation services	3						SA,FA,Biz
C.4.2 Discuss ways to simplify regulations & permitting processes while protecting assets	3						SA,FA,NPO,BTA,Biz
C.4.3 Investigate contracting of maintenance operations to private businesses	3						SA,FA
C.5 Enhance Montana's "Edu-Structure" to Support Tourism							
C.5.1 Expand education programs for tourism & recreation careers	3						Univ,Ext,TAC,Biz
C.5.2 Develop a staff training program for VIC's	1						DOC,VIC,TR,CVB,CC
C.5.3 Provide regional familiarization tours for state/regional/tribal/local tourism staff	2						TR,DOC,VIC,Attn,Biz
C.5.4 Include educational presentations at tourism & recreation meetings & events	1						TAC,TR,CVB,MTRI
C.5.5 Work with MSU to create "tourism extension agents" in each tourism region	3						MSU,DOC,DOAg,TR
C.6 Build Funding Partnerships to Leverage Existing Dollars							
C.6.1 Encourage strategic partnerships for cooperative project funding	1						SA,FA,TR,CVB,CC,Biz,NPO
C.6.2 Identify opportunities to pool public & private marketing dollars	1						TR,CVB,Biz,DOC,Attn,Ad
C.7 Develop Additional Funding Sources for Tourism & Recreation							
C.7.1 Consider selective and/or local option taxes on goods & services used by tourists	1						Leg,MACo,MLCT,BTA,Biz
C.7.2 Evaluate expansion of user fees for public facility recreation	2						SA,FA,NPO
C.7.3 Encourage attractions to generate more revenue from visitors	2						MHS,FWP,MRPA,DOC,NPO,Biz
C.7.4 Develop local/regional revenue-sharing visitor packages	3						TR,CVB,DOC,Biz,Attn,NPO
C.7.5 Create a "Montana Visitor Passport" program	3						MTRI,DOC,TR,Attn,NPO,Biz,Ad
C.7.6 Seek additional revenue for the Block Management program	3						FWP,LO,NPO
C.8 Develop Partnerships to Facilitate Implementation of Strategic Plan							
C.8.1 Conduct workshops at TAC meeting & in each region to discuss plan implementation	1						TR,DOC,CVB,SA,FA,NPO,Biz
C.8.2 Conduct training for region/CVB boards of directors & members	1						TR,CVB,DOC
C.8.3 Obtain funding to enhance regional tourism organizations	1						DOC,TR,TAC,FA
C.8.4 Coordinate Strategic Plan implementation & monitoring through DOC	1						DOC,MTRI,FWP
C.8.5 Form an implementation team of private/public/tribal/nonprofit representatives	1						DOC,TAC,MTA,MTRI,Trb,NPO,Biz
C.8.6 Coordinate with Governor's Office of Economic Opportunity	1						DOC,MTA,BTA,MEDA
C.8.7 Develop a user-friendly system of annual reporting on status of strategic plan	1						DOC,MTRI,TR,CVB,NPO,MTTA

Action Table Key to Codes

Ad	Advertising Agency	MHS	Montana Historical Society
Attn	Attraction	MLCT	Montana League of Cities & Towns
Biz	Private Sector Business	MLCBC	Montana Lewis & Clark Bicentennial. Comm
BTA	Business Trade Associations	MRDP	Montana Rural Development Partners
BBER	Bureau of Business/Economic Devlpmt	MRPA	Montana Recreation & Parks Association
CC	Chamber of Commerce	MSU	Montana State University
CVB	Convention/Visitor Bureau	MTC	Montana Tourism Coalition
DLI	Montana Dept. of Labor and Industry	MTRI	Montana Tourism & Recreation Initiative
DOAg	Montana Dept. of Agriculture	MTTA	Montana Tribal Tourism Alliance
DOC	Montana Dept. of Commerce	NPO	Non-profit organizations
DOR	Montana Dept. of Revenue	NPS	National Park Service
Ext	Ag Extension Service	OLB	Montana Outfitter Licensing Board
FA	Federal Gov't/Agency	RC&D	Resource, Conservation & Development
FWP	Montana Fish, Wildlife & Parks	SA	Montana Gov't/Agency/Dept/Commission
ITRR	U of M Institute for Tourism & Recreation Research	SBDC	Small Business Devlpmt Corporation
Leg	Montana Legislature	STAC	State Trails Advisory Committee
LG	Local Government	TAC	Tourism Advisory Council
LO	Land Owner	TR	Montana Tourism Regions (Countries)
MAC	Montana Arts Council	Trb	American Indian Tribes
MACo	Montana Association of Counties	Univ	Montana Universities & Colleges
MDT	Montana Dept of Transportation	VIC	Visitor Information Center
MEDA	Montana Economic Developers Association		

Appendices:

- A. Acronyms**
- B. Montana Code Annotated**
- C. Resources**
- D. Reference Materials**

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Appendix A: Acronyms

AAA	Automobile Association of America
Ad	Advertising Agency
Ag	Agriculture & Ranching
ARC	American Recreation Coalition
Attn	Attraction
BBER	Univ. of Montana Bureau of Business & Economic Research
BIA	Bureau of Indian Affairs
Biz	Business
BLM	Bureau of Land Management
BMA	Block Management Area
BOR	Bureau of Reclamation
CC	Chamber of Commerce
City	City/Communities
Co	County
COE	US Army Corps of Engineers
CTAP	Community Tourism Assessment Program
CTEP	Community Transportation Enhancement Program
CVB	Convention and Visitor Bureau
DLI	Montana Department of Labor and Industry
DNRC	Montana Department of Natural Resources and Conservation
DOAg	Montana Department of Agriculture
DOC	Montana Department of Commerce
DOR	Montana Department of Revenue
DVMT	Daily Vehicle Miles Traveled
EDC	Economic Development Corporation
EIS	Environmental Impact Statement
EMS	Emergency Medical Services
Ext	Extension Office
FA	Federal Gov't/Agency
FIRE	Finance, Insurance, Real Estate
FOAM	Fishing Outfitters Association of Montana
FVCC	Flathead Valley Community College
FWP	Montana Fish, Wildlife & Parks
FY	Fiscal Year
GIM	Grown in Montana

Gov	Montana Governor's Office
HPDC	Montana Heritage, Preservation & Development Commission
ITRR	Univ. of Montana Institute of Tourism & Recreation Research
Leg	Montana Legislature
LG	Local Government
LO	Land Owner
LWCF	Land and Water Conservation Fund
MABA	Montana Agricultural Business Association
MAC	Montana Arts Council
MACo	Montana Association of Counties
MCF	Montana Community Foundation
MDT	Montana Department of Transportation
MEDA	Montana Economic Developers Association
MEPA	Montana Environmental Policy Act
MHS	Montana Historical Society
MIAC	Montana Interagency Access Council
MIKA	Montana Innkeepers Association
MIM	Made In Montana
MLCBC	Montana Lewis & Clark Bicentennial Commission
MLCT	Montana League of Cities & Towns
MOGA	Montana Outfitters & Guides Association
MOU	Memorandum of Understanding
MRDP	Montana Rural Development Partners
MRPA	Montana Recreation & Parks Association
MSU	Montana State University
MT/WY	Montana/Wyoming Tribal Leaders Council
MTC	Montana Tourism Coalition
MTRI	Montana Tourism and Recreation Initiative
MTTA	Montana Tribal Tourism Alliance
NEPA	National Environmental Policy Act
NPCA	National Parks Conservation Association
NPO	Non-profit organizations
NPS	National Park Service
OLB	Montana Outfitters Licensing Board
OHV	Off-Highway Vehicle (ATV's, off-road motorcycles & 4x4 use)

RC&D	Resource, Conservation & Development
Res	Montana Residents
RMEF	Rocky Mountain Elk Foundation
SA	Montana State Agency/Dept/Commission
SBDC	Small Business Development Center
SEGP	Special Events Grant Program
SH	Superhost
SHPO	State Historic Preservation Office
STAC	State Trails Advisory Committee
STICDA	State Travel Information Center Directors' Alliance
STIP	Montana Statewide Transportation Improvement Plan
TAC	Tourism Advisory Council
TCPU	Transportation, Communication, Public Utilities
TIA	Travel Industry Association of America
TIIP	Tourism Infrastructure Investment Program
TM	Travel Montana
Tour	Tour
TR	Tourism Regions (Countries)
Trb	American Indian Tribes
TTRA	Int'l Travel and Tourism Research Association
UBC	Uniform Building Code
UCADB	Uniform Code for the Abatement of Dangerous Buildings
UCBC	Uniform Code for Building Conservation
UM	University of Montana
Univ	Montana Universities/Colleges
USDA	US Department of Agriculture
USDOC	US Dept. of Commerce
USDOI	US Department of the Interior
USDOR	US Dept. of Revenue
USDOT	US Department of Transportation
USFS	USDA Forest Service
USFWS	US Fish & Wildlife Service
VFR	Visiting friends and relatives
VIC	Visitor Information Center
Vol	Volunteers

**TITLE 15. TAXATION
CHAPTER 65. LODGING FACILITY USE TAX**

Part 1. General Provisions

15-65-101. Definitions.
15-65-102. Rulemaking authority.
15-65-103. through reserved.
15-65-111. Tax rate.
15-65-112. Collection and reporting.
15-65-113. Audits -- records.
15-65-114. Registration number -- application to department.
15-65-115. Failure to pay or file -- penalty -- review -- interest.
15-65-116. Credit for overpayment -- interest on overpayment.
15-65-117. through reserved.
15-65-121. Distribution of tax proceeds.
15-65-122. Qualification of nonprofit entities for receipt of funds -- limitation on administrative costs.
15-65-123. through reserved.
15-65-131. State agencies to account for in-state lodging expenditures.
15-65-132. through reserved.
15-65-136. Terminated.

15-65-101. Definitions. For purposes of this part, the following definitions apply:

(1) "Accommodation charge" means the fee charged by the owner or operator of a facility for use of the facility for lodging, including bath house facilities, but excluding charges for meals, transportation, entertainment, or any other similar charges.

(2) (a) "Campground" means a place, publicly or privately owned, used for public camping where persons may camp, secure tents, or park individual recreational vehicles for camping and sleeping purposes.

(b) The term does not include that portion of a trailer court, trailer park, or mobile home park intended for occupancy by trailers or mobile homes for resident dwelling purposes for periods of 30 consecutive days or more.

(3) "Council" means the tourism advisory council established in 2-15-1816.

(4) (a) "Facility" means a building containing individual sleeping rooms or suites, providing overnight lodging facilities for periods of less than 30 days to the general public for compensation. The term includes a facility represented to the public as a hotel, motel, campground, resort, dormitory, condominium inn, dude ranch, guest ranch, hostel, public lodginghouse, or bed and breakfast facility.

(b) The term does not include any health care facility, as defined in 50-5-101, any facility owned by a corporation organized under Title 35, chapter 2 or 3, that is used primarily by persons under the age of 18 years for camping purposes, any hotel, motel, hostel, public lodginghouse, or bed and breakfast facility whose average daily accommodation charge for single occupancy does not exceed 60% of the amount authorized under 2-18-501 for the actual cost of lodging for travel within the state of Montana, or any other facility that is rented solely on a monthly basis or for a period of 30 days or more.

(5) "Nonprofit convention and visitors bureau" means a nonprofit corporation organized under Montana law and recognized by a majority of the governing body in the city, consolidated city-county, resort area, or resort area district in which the bureau is located.

(6) "Regional nonprofit tourism corporation" means a nonprofit corporation organized under Montana law and recognized by the council as the entity for promoting tourism within one of several regions established by executive order of the governor.

(7) "Resort area" means an area established pursuant to 7-6-1508.

**Appendix B:
Montana Code
Annotated**

- ❖ Lodging Facility Use Tax
- ❖ Tourism Advisory Council
- ❖ Resort Tax
- ❖ County Park Districts

(8) "Resort area district" has the meaning provided in 7-6-1531.

15-65-102. Rulemaking authority. The department of revenue shall adopt such rules as may be necessary to implement and administer this part.

15-65-111. Tax rate. (1) There is imposed on the user of a facility a tax at a rate equal to 4% of the accommodation charge collected by the facility. (2) Accommodation charges do not include charges for rooms used for purposes other than lodging.

15-65-112. Collection and reporting. (1) The owner or operator of a facility shall collect the tax imposed by 15-65-111. (2) The owner or operator shall report to the department of revenue, at the end of each calendar quarter, the gross receipts collected during that quarter attributable to accommodation charges for the use of the facility. The report is due on or before the last day of the month following the end of the calendar quarter and must be accompanied by a payment in an amount equal to the tax required to be collected under subsection (1).

15-65-113. Audits – records. (1) The department of revenue may audit the books and records of any owner or operator to ensure that the proper amount of tax imposed by 15-65-111 has been collected. An audit may be done on the premises of the owner or operator of a facility or at any other convenient location.

(2) The department may request the owner or operator of a facility to provide the department with books, ledgers, registers, or other documents necessary to verify the correct amount of tax.

(3) The owner or operator of a facility shall maintain and have available for inspection by the department books, ledgers, registers, or other documents showing the collection of accommodation charges for the preceding 5 years.

(4) Except in the case of a person who, with intent to evade the tax, purposely or knowingly files a false or fraudulent return violating the provisions of this part, the amount of tax due under any return must be determined by the department within 5 years after the return is made, and the department thereafter is barred from revising any such return or recomputing the tax due thereon, and no proceeding in court for the collection of the tax may be instituted unless notice of any additional tax is provided within such period.

(5) An application for revision may be filed with the department by an owner or operator of a facility within 5 years from the original due date of the return.

15-65-114. Registration number – application to department. (1) The owner or operator of a facility shall apply to the department of revenue for a registration number.

(2) The application must be made on a form provided by the department.

(3) Upon completion of the application and delivery of the application to the department, the department must assign a registration number to the owner, operator, or facility, as appropriate.

15-65-115. Failure to pay or file – penalty – review – interest. (1) An owner or operator of a facility who fails to file the report as required by 15-65-112 must be assessed a penalty as provided in 15-1-216. The department may waive any penalty as provided in 15-1-206.

(2) An owner or operator of a facility who fails to make payment or fails to report and make payment as required by 15-65-112 must be assessed penalty and interest as provided in 15-1-216. The department may waive any penalty pursuant to 15-1-206.

(3) (a) If an owner or operator of a facility fails to file the report required by 15-65-112 or if the department determines that the report understates the amount of tax due, the department may determine the amount of the tax due and assess that amount against the owner

or operator. The provisions of 15-1-211 apply to any assessment by the department. The taxpayer may seek review of the assessment pursuant to 15-1-211.

(b) When a deficiency is determined and the tax becomes final, the department shall mail a notice and demand for payment to the owner or operator. The tax is due and payable at the expiration of 30 days after the notice and demand were mailed. Interest on any deficiency assessment must be computed as provided in 15-1-216.

15-65-116. Credit for overpayment – interest on overpayment. (1) If the department determines that the amount of tax, penalty, or interest paid for any year is more than the amount due, the amount of the overpayment must be credited against any tax, penalty, or interest then due from the taxpayer and the balance refunded to the taxpayer, to the taxpayer's successor through reorganization, merger, or consolidation, or to the taxpayer's shareholders upon dissolution.

(2) Except as provided in subsection (3), interest is allowed on overpayments at the same rate as is charged on unpaid taxes, as provided in 15-1-216, from the due date of the return or from the date of overpayment, whichever is later, to the date the department approves refunding or crediting of the overpayment.

(3) (a) Interest does not accrue during any period in which the processing of a claim for refund is delayed more than 30 days by reason of failure of the taxpayer to furnish information requested by the department for the purpose of verifying the amount of the overpayment.

(b) Interest is not allowed:

(i) if the overpayment is refunded within 6 months from the date the return is due or from the date the return is filed, whichever is later; or

(ii) if the amount of interest is less than \$1.

(c) Only a payment made incident to a bona fide and orderly discharge of actual tax liability or one reasonably assumed to be imposed by this chapter is considered an overpayment with respect to which interest is allowable.

15-65-121. (Temporary) Distribution of tax proceeds. (1) The proceeds of the tax imposed by 15-65-111 must, in accordance with the provisions of 15-1-501, be deposited in an account in the state special revenue fund to the credit of the department. The department may spend from that account in accordance with an expenditure appropriation by the legislature based on an estimate of the costs of collecting and disbursing the proceeds of the tax. Before allocating the balance of the tax proceeds in accordance with the provisions of 15-1-501 and as provided in subsections (1)(a) through (1)(e) of this section, the department shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4% of that amount from the tax proceeds received each reporting period. The amount deducted must be deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies. The amount of \$400,000 each year must be deposited in the Montana heritage preservation and development account provided for in 22-3-1004. The balance of the tax proceeds received each reporting period and not deducted pursuant to the expenditure appropriation, deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies, or deposited in the heritage preservation and development account is statutorily appropriated, as provided in 17-7-502, and must be transferred to an account in the state special revenue fund to the credit of the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials, to the Montana historical society, to the university system, and to the department of fish, wildlife, and parks, as follows:

(a) 1% to the Montana historical society to be used for the installation or maintenance of roadside historical signs and historic sites;

(b) 2.5% to the university system for the establishment and maintenance of a Montana travel research program;

(c) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks that have both resident and nonresident use;

(d) 67.5% to be used directly by the department of commerce; and

(e) (i) except as provided in subsection (1)(e)(ii), 22.5% to be distributed by the department to regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the total proceeds collected statewide; and

(ii) if 22.5% of the proceeds collected annually within the limits of a city, consolidated city-county, resort area, or resort area district exceeds \$35,000, 50% of the amount available for distribution to the regional nonprofit tourism corporation in the region where the city, consolidated city-county, resort area, or resort area district is located, to be distributed to the nonprofit convention and visitors bureau in that city, consolidated city-county, resort area, or resort area district.

(2) If a city, consolidated city-county, resort area, or resort area district qualifies under this section for funds but fails to either recognize a nonprofit convention and visitors bureau or submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds must be allocated to the regional nonprofit tourism corporation in the region in which the city, consolidated city-county, resort area, or resort area district is located.

(3) If a regional nonprofit tourism corporation fails to submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism corporation may be used by the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials.
(Effective July 1, 2007)

15-65-121. (Effective July 1, 2007) . Distribution of tax proceeds. (1) The proceeds of the tax imposed by 15-65-111 must, in accordance with the provisions of 15-1-501, be deposited in an account in the state special revenue fund to the credit of the department. The department may spend from that account in accordance with an expenditure appropriation by the legislature based on an estimate of the costs of collecting and disbursing the proceeds of the tax. Before allocating the balance of the tax proceeds in accordance with the provisions of 15-1-501 and as provided in subsections (1)(a) through (1)(e) of this section, the department shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4% of that amount from the tax proceeds received each reporting period. The amount deducted must be deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies. The balance of the tax proceeds received each reporting period and not deducted pursuant to the expenditure appropriation or deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies is statutorily appropriated, as provided in 17-7-502, and must be transferred to an account in the state special revenue fund to the credit of the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials, to the Montana historical society, to the university system, and to the department of fish, wildlife, and parks, as follows:

(a) 1% to the Montana historical society to be used for the installation or maintenance of roadside historical signs and historic sites;

(b) 2.5% to the university system for the establishment and maintenance of a Montana travel research program;

(c) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks that have both resident and nonresident use;

(d) 67.5% to be used directly by the department of commerce; and

(e) (i) except as provided in subsection (1)(e)(ii), 22.5% to be distributed by the department to regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the total proceeds collected statewide; and

(ii) if 22.5% of the proceeds collected annually within the limits of a city, consolidated city-county, resort area, or resort area district exceeds \$35,000, 50% of the amount available for distribution to the regional nonprofit tourism corporation in the region where the city,

consolidated city-county, resort area, or resort area district is located, to be distributed to the nonprofit convention and visitors bureau in that city, consolidated city-county, resort area, or resort area district.

(2) If a city, consolidated city-county, resort area, or resort area district qualifies under this section for funds but fails to either recognize a nonprofit convention and visitors bureau or submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds must be allocated to the regional nonprofit tourism corporation in the region in which the city, consolidated city-county, resort area, or resort area district is located.

(3) If a regional nonprofit tourism corporation fails to submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism corporation may be used by the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials

15-65-122. Qualification of nonprofit entities for receipt of funds -- limitation on administrative costs. (1) The department of revenue shall provide the council with quarterly reports of regional tax proceeds and tax proceeds of cities, consolidated city-counties, resort areas, and resort area districts that qualify for disbursement of funds under 15-65-121.

(2) Funds may not be disbursed to a regional nonprofit tourism corporation or nonprofit convention and visitors bureau until that entity has submitted an annual marketing plan to the council and that plan has been approved by the council.

(3) A maximum of 20% of the funds received by a regional nonprofit tourism corporation or nonprofit convention and visitors bureau may be used for administrative purposes as defined by the council.

15-65-131. State agencies to account for in-state lodging expenditures. Each state agency shall account for in-state lodging expenditures in a manner that will enable the department to determine total expenditures for in-state lodging by state agencies in order to make an allocation of a portion of the tax proceeds imposed by 15-65-111 to the appropriate fund or funds as provided in 15-65-121. Unless prohibited under terms of original receipt of the funds used to pay the lodging facility use tax, each fund shall reimburse the state general fund for the deposit made pursuant to 15-65-121.

TITLE 2. GOVERNMENT STRUCTURE AND ADMINISTRATION

CHAPTER 15. EXECUTIVE BRANCH OFFICERS AND AGENCIES

Part 18. Department of Commerce

2-15-1816. Tourism advisory council. (1) There is created a tourism advisory council.

(2) The council is composed of not less than 12 members appointed by the governor from Montana's private sector travel industry and includes at least one member from Indian tribal governments, with representation from each tourism region initially established by executive order of the governor and as may be modified by the council under subsection (5).

(3) Members of the council shall serve staggered 3-year terms, subject to replacement at the discretion of the governor. The governor shall designate four of the initial members to serve 1-year terms and four of the initial members to serve 2-year terms.

(4) The council shall:

(a) oversee distribution of funds to regional nonprofit tourism corporations for tourism promotion and to nonprofit convention and visitors bureaus in accordance with Title 15, chapter 65, part 1, and this section;

(b) advise the department of commerce relative to tourism promotion;

(c) advise the governor on significant matters relative to Montana's travel industry;

(d) prescribe allowable administrative expenses for which accommodation tax proceeds may be used by regional nonprofit tourism corporations and nonprofit convention and visitors bureaus;

- (e) direct the university system regarding Montana travel research;
- (f) approve all travel research programs prior to their being undertaken; and
- (g) encourage regional nonprofit tourism corporations to promote tourist activities on Indian reservations in their regions.
- (5) The council may modify the tourism regions established by executive order of the governor.
- (6) The department of commerce shall adopt such rules as may be necessary to implement and administer Title 15, chapter 65, part 1, and this section.

TITLE 7. LOCAL GOVERNMENT
CHAPTER 6. FINANCIAL ADMINISTRATION AND TAXATION
Part 15. Resort Tax

- 7-6-1501. Resort tax -- definitions.
- 7-6-1502. Resort community taxing authority -- specific delegation.
- 7-6-1503. Limit on resort tax rate -- goods and services subject to tax.
- 7-6-1504. Resort tax -- election required -- procedure -- notice.
- 7-6-1505. Resort tax administration.
- 7-6-1506. Use of resort community tax revenues -- bond issue -- pledge.
- 7-6-1507. Resort community tax -- property tax relief.
- 7-6-1508. Establishment of a resort area -- taxing authority -- approval by electorate.
- 7-6-1509. Use of resort area tax.
- 7-6-1510. through reserved.
- 7-6-1531. Resort area district -- definitions.
- 7-6-1532. Resort area district authorized.
- 7-6-1533. Petition to create resort area district.
- 7-6-1534. Resort area district -- notice of petition -- hearing required.
- 7-6-1535. Resort area district -- hearing on petition.
- 7-6-1536. Resort area district -- election required -- notice.
- 7-6-1537. Conduct of election on question of creating resort area district.
- 7-6-1538. Qualifications to vote on question of creating resort area district.
- 7-6-1539. Resolution creating resort area district upon favorable vote.
- 7-6-1540. Resort area district -- certificate of incorporation from secretary of state.
- 7-6-1541. General powers of resort area district.
- 7-6-1542. Resort area district board powers related to administration and expenditure of resort tax revenue.
- 7-6-1543. Resort area district to be governed by board -- composition -- qualifications -- term of office.
- 7-6-1544. Resort area district board -- election -- term.
- 7-6-1545. Resort area district board election -- canvass of vote.
- 7-6-1546. Resort area district board -- vacancy.
- 7-6-1547. Resort area district board -- meetings.
- 7-6-1548. Referendum to dissolve resort area district.

7-6-1549. Conduct of election on question of dissolving resort area district -- qualification of electors.

7-6-1550. Resolution dissolving resort area district upon favorable vote.

7-6-1508. Establishment of a resort area -- taxing authority -- approval by electorate. (1) The establishment of a resort area for the purpose of imposing a resort tax may be initiated by a written petition to the board of county commissioners of the county in which the area is located. The petition must contain a description of the proposed resort area and must be signed by at least 15% of the electors residing in the proposed area.

(2) The petition must include a proposal to impose a resort tax within the proposed resort area, including the rate, duration, effective date, and purpose of the tax as provided in 7-6-1504.

(3) Upon receiving a petition to establish a resort area, the board of county commissioners shall present the question to the electors residing in the proposed resort area as provided in 7-6-1504.

7-6-1531. Resort area district -- definitions. For the purposes of 7-6-1531 through 7-6-1550, unless the context requires otherwise, the following definitions apply:

(1) "Board" means the board of directors of the resort area district.

(2) "Resort area" means a resort area created under 7-6-1508.

(3) "Resort area district" means a district created under 7-6-1531 through 7-6-1550 that has been established as a resort area under 7-6-1508.

TITLE 7. LOCAL GOVERNMENT

CHAPTER 16. CULTURE, SOCIAL SERVICES, AND RECREATION

Part 1. General Provisions Affecting Local Governments

Part 2 through 20 reserved .

Part 21. General Provisions Affecting County Government

Part 22. County Museums and Facilities for the Arts

Part 23. County Board of Park Commissioners

Part 24. County Park Districts

Part 25 through 40 reserved .

Part 41. General Provisions Affecting Municipal Government

Part 42. Municipal Board of Park Commissioners

Part 43. Municipal Winter Work Program (Repealed. Sec. 25, Ch. 543, L. 1995)

TITLE 7. LOCAL GOVERNMENT

CHAPTER 16. CULTURE, SOCIAL SERVICES, AND RECREATION

Part 24. County Park Districts

7-16-2401. Park and recreation land -- definition.

7-16-2402. Duties of county park district.

7-16-2403. Territory of county park district.

7-16-2404. through reserved.
7-16-2411. Creation of county park district.
7-16-2412. Election on creation of district.
7-16-2413. Formation of county park district -- appointment of initial commission.
7-16-2414. through reserved.
7-16-2421. Election or appointment of commissioners.
7-16-2422. Compensation of members of county park district commission.
7-16-2423. Powers of county park district commission.
7-16-2424. through reserved.
7-16-2431. District budget -- property tax levy or fee on household.
7-16-2432. Repealed.
7-16-2433. Park district bonds authorized.
7-16-2434. through reserved.
7-16-2441. Alteration of district boundaries.
7-16-2442. Dissolution of county park district.
7-16-2443. Effect of dissolution.

7-16-2401. Park and recreation land -- definition. As used in this part, "park and recreation land" means real property, buildings, and fixtures on:

- (1) land designated as park land or recreational land by the grant or deed of such land to the county;
- (2) land owned, leased, or otherwise possessed by a county and which the governing body of a county has designated as park or recreational land;
- (3) land belonging to a public or private entity or person who has donated the recreational rights to such land to a county park district on behalf of the county; or
- (4) land which, by agreement between an owner of land and a county park district, the district may use for park or recreational purposes.

This Resources Appendix is arranged by Federal, State, Local, and Private sources of funding and technical assistance for projects related to tourism, recreation, business development, economic and community development, transportation, conservation and historic/cultural programs. Multiple programs that are available from a single source are presented in sub-listings under the source. For more information about each of the sources, contact the organization listed.

FEDERAL

Federal Multi-Agency

- **Challenge Cost Share Program: USDA Forest Service (USFS), Bureau of Land Management (BLM), National Park Service (NPS)**

DESCRIPTION: The Challenge Cost Share (CCS) program provides matching funds to non-federal organizations' contributions for projects that provide new or enhanced opportunity for protection of natural/cultural/historic assets, interpretation, and recreation sites management. Once a project is approved, a cooperative agreement is prepared between the Agency and the partnership organization. Agency funding is made on a reimbursement basis for actual cost. The agreement requires some level of Agency involvement in the project.

CONTACT: Bureau of Land Management, George Peternel, 5001 Southgate Drive, Billings MT 59101, (406) 896-5037, gpeternel@mt.blm.gov, www.blm.gov. USDA Forest Service, PO Box 7669, Missoula, MT 59807, Fax (406) 329-3347, www.fs.fed.us. National Park Service, Richard Williams (402) 221-3478 or Midori Raymore, (402) 221-3471, www.nps.gov/lecl/grants

Federal Sources

U.S. Department of Agriculture (USDA)

- **Rural Business Enterprise Grants (RBEG)**

DESCRIPTION: RBEG grants provide Financing and facilitate development of small and emerging private business enterprises in rural areas (smaller than 50,000 population). Priority is given to applications for projects in open country, rural communities, and towns of 25,000 and smaller, and economically distressed communities.

AMOUNT: Variable amount. Costs that may be paid from grant funds include the acquisition and development of land, and the construction of buildings, plants, equipment, access streets and roads, parking areas, utility and service extensions, refinancing, fees, technical assistance, marketing, startup operating cost and working capital. Grants may also be made to establish or fund revolving loan programs.

CONTACT: USDA Rural Development Office, 900 Technology Blvd, Suite B, Bozeman, MT 59717, (406) 585-2545, William W. Barr, bill.barr@mt.usda.gov, www.rurdev.usda.gov/rbs.htm

- **Rural Business Opportunity Grants (RBOG)**

DESCRIPTION: RBOG grants provide technical assistance, training and planning activities that improve economic conditions in rural areas.

REQUIREMENTS: Applicants must be located in rural areas (cities of less than 10,000 population). Nonprofit corporations and public bodies are eligible.

CONTACT: USDA Rural Development Office, 900 Technology Blvd, Suite B, Bozeman, MT 59717, (406) 585-2545, William W. Barr, bill.barr@mt.usda.gov, www.rurdev.usda.gov/rbs.htm

- **Resource Conservation & Development (RC&D)**

DESCRIPTION: The Resource Conservation & Development program encourages RC&D multi-county areas to plan, develop and carry out projects related to land conservation, water management, economic development and community sustainability. RC&D assists local units of government and nonprofit organizations to develop programs to improve their resources, and helps to secure technical and financial

Appendix C: Potential Resources for Funding & Technical Assistance

Federal Sources

assistance with grants, loans, and other funding. A strong partnership exists between the NRCS, Montana Department of Natural Resources and Conservation (DNRC), and local RC&D councils. The Natural Resources Conservation Service (NRCS) administers the RC&D program. CONTACT: RC&D Area contacts are listed in county telephone books under U.S. Government/U.S. Department of Agriculture/Natural Resources Conservation Service, or visit www.nrcs.usda.gov/programs/rcd/offices.html. Montana RC&D general information: www.mt.nrcs.usda.gov/rcd/index.asp

- **USDA Value-Added Agricultural Product Market Development**

DESCRIPTION: A division of the USDA Rural Business Cooperative Service offering assistance and possible grant funding for value-added agricultural product producers.

CONTACT: USDA Rural Development Office, 900 Technology Blvd, Suite B, Bozeman, MT 59717, (406) 585-2545, William W. Barr, bill.barr@mt.usda.gov, www.rurdev.usda.gov/rbs.htm

- **USDA Forest Service**

- **State and Private Forestry Grant Programs**

DESCRIPTION: The goal of the State and Private Forestry grant program is to work with public and private partners to help maintain and improve America's forests and rural communities. It provides financial and technical assistance to state and local governments, tribes, private organizations, and other key partners. The programs average \$10 non-federal for every \$1 of federal investment.

CONTACT: USDA Forest Service, Missoula, MT, Charlene Schildwachter, (406) 329-3599

- **Rural Community Assistance (RCA) Program**

DESCRIPTION: Provides assistance to rural communities dependent on natural resources to develop strategies and implement projects which result in community capacity building and long-term social, environmental, and economic sustainability.

AMOUNT: Planning grants are limited to \$5,000, and project implementation grants are limited to \$20,000.

CONTACT: USDA Forest Service, www.fs.fed.us

U.S. Army Corps of Engineers (COE)

- **Planning Assistance**

DESCRIPTION: The Corps of Engineers assists states, local governments, tribes, and other non-federal entities in the preparation of comprehensive plans for the development, utilization, and conservation of water and related land resources.

CONTACT: U.S. Army Corps of Engineers, 215 N 17th, Omaha, NE 68102. Debra K. Brey, Business Development Director, (402) 221-7715, debra.k.brey@usace.army.mil; Maria Luckey, (402) 221-7269, maria.e.luckey@usace.army.mil; for general questions regarding Lewis & Clark in eastern Montana, contact Carol Ryan, Omaha District L&C Coordinator, (402) 667-7873 ext 3248; for general information on the National L&C efforts, contact Jeannine M. Nauss, National Lewis & Clark Bicentennial Coordinator, (402) 697-2532

U.S. Department of Education

- **Teaching American History Grant Program**

DESCRIPTION: Grants are awarded on a competitive basis to local educational agencies to teach traditional American history in elementary and secondary schools; while partnering with a college/university, a nonprofit history or humanities organization, or a library or museum.

AMOUNT: Varies (Congress appropriated \$100 million for Teaching American History grants for Fiscal Year 2002.)

CONTACT: U.S. Department of Education, www.ed.gov/offices/OESE/TAH

U.S. Department of the Interior

Federal Sources

▪ **Lewis and Clark Bicentennial Sourcebook**

DESCRIPTION: The Department of the Interior has compiled the *Lewis and Clark Bicentennial Sourcebook* web site to assist states, communities and tribes in locating sources of federal, state, philanthropic and foundation support for Bicentennial projects. Topics include community and economic development, cultural resource management/historic preservation, education, infrastructure/transportation, museum and library services, natural resource management and conservation, and recreation. Information in the *Sourcebook* has been divided into four chapters: Federal Assistance, National Foundations, Multi-State Foundations, and State Government Programs and State-Specified Foundations.

CONTACT: U.S. Department of the Interior, www.doi.gov, or www.lewisandclark200.gov

▪ **National Park Service (NPS)**

DESCRIPTION: The National Park Service was created in 1916 as a federal bureau in the Department of the Interior. . NPS currently is responsible for protecting 378 park system areas. Park system designations include: national park, national preserve, national monument, national memorial, national historic site, national seashore, and national battlefield park. Montana contains all, or part, of eight park areas: Big Hole National Battlefield, Bighorn Canyon National Recreation Area, Fort Union Trading Post National Historic Site (with North Dakota), Glacier National Park, Grant-Kohrs Ranch National Historic Site, Little Bighorn Battlefield National Monument, Nez Perce Nation Historical Park (with Idaho), and Yellowstone National Park (with Wyoming).

CONTACT: National Park Service, www.nps.gov, or www.nps.lecl/grants, for various program requirements and amounts.

– **National Heritage Area Act**

DESCRIPTION: NPS assists and encourages local, state, and federal governments to develop heritage areas.

– **Rivers and Trails Conservation Assistance Program**

DESCRIPTION: NPS offers planning and organizational assistance for local community projects promoting nature-based recreation and environmental, historical, and cultural conservation projects. The Program has had a long involvement in trails projects.

– **Resource Conservation and Development Funds**

DESCRIPTION: These funds are designed to encourage state and local governments and non-profit organizations to improve resource conservation by providing 50% matching funds for recreation, including parks and land acquisition.

– **Lewis & Clark Bicentennial Assistance Program**

DESCRIPTION: This program provides funding assistance up to \$100,000 for a limited number of projects.

U.S. Dept. of Transportation (DOT) – Federal Highway Administration (FHWA)

DESCRIPTION: The mission of the U.S. Department of Transportation, established by Congress in 1966, is to ensure a fast, safe, efficient, accessible and convenient transportation system that meets vital national interests and enhances quality of life, today and into the future. Various funding programs are available to improve rural and urban roads which are part of the National Highway System.

CONTACT: U.S. Dept. of Transportation, www.dot.gov, Federal Highway Administration, www.fhwa.dot.gov

▪ **Transportation Equity Act for the 21st Century (TEA-21)**

DESCRIPTION: Passed into law in 1998, TEA-21 authorizes highway, highway safety, transit and other surface transportation programs through FY 2003. Significant features of TEA-21 are continuation of the initiatives established in the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA); assurance of a guaranteed level of Federal funds for surface transportation through FY 2003; extension of the Disadvantaged Business Enterprises (DBE) program; strengthening of DOT safety programs; and investments in research to maximize the performance of the transportation system.

CONTACT: Federal Highway Administration, Transportation Equity Act for the 21st Century, www.fhwa.dot.gov/tea21.htm

Federal Sources

- **National Scenic Byways Program**

DESCRIPTION: The National Scenic Byways Program recognizes highways that are outstanding examples of beauty, culture, and recreational experiences by designating them as All-American Roads, or National Scenic Byways. State and federal land management agencies submit nominations to the U.S. Department of Transportation for recognition.

CONTACT: Federal Highway Administration, National Scenic Byways, Sharon Hurt Davidson, (800) 4 Byways, www.byways.org. For information on Montana's byway program, contact Montana Department of Transportation, 2701 Prospect Avenue, PO Box 201001, Helena, MT 59620, (406) 444-3423, (800) 714-7296, www.mdt.state.mt.us

- **Signing – Manual on Uniform Highway Control Devices (MUTCD)**

DESCRIPTION: The MUTCD contains standards for uniform traffic control devices that regulate, warn, and guide road users along highways and byways in all 50 States. An electronic version of the official FHWA publication is posted on the MUTCD web site [//mutcd.fhwa.dot.gov](http://mutcd.fhwa.dot.gov). Part 2 (signs) of the MUTCD Millennium Edition, and the 2002 edition of the Standard Highway Signs book, contain general and specific sign information for regulatory, general, warning and guide signs, specific service (logo) signs, tourist-oriented directional signs (TODS), recreational and cultural interest area signs, and emergency management signs. Symbol sign graphics also are included.

CONTACT: U.S. Dept. of Transportation – Federal Highway Administration, [//mutcd.fhwa.dot.gov](http://mutcd.fhwa.dot.gov)

Environmental Protection Agency

- **SmartGrowth**

DESCRIPTION: In 1996, the U.S. Environmental Protection Agency joined with several non-profit and government organizations to form the Smart Growth Network (SGN). The Network was formed in response to increasing community concerns about the impacts of growth on local economies, the environment, and community vitality. The Network's partners include environmental groups, historic preservation organizations, professional organizations, developers, real estate interests, local and state government entities. The SGN works to encourage development that serves the economy, community and the environment. It is a forum for raising public awareness of how growth can improve community quality of life; developing and sharing information on smart growth best practices, innovative policies, tools and ideas; and cultivating strategies to address barriers to, and advance opportunities, for smart growth.

CONTACT: Smart Growth Network, c/o International City/County Management Association, 777 North Capitol Street, NE Suite 500 Washington, DC 20002, (202) 962-3582, smartgrowth@icma.org, www.smartgrowth.org

U.S. Department of Commerce

- **Economic Development Administration (EDA) Loans and Grants**

DESCRIPTION: EDA provides grants for planning and implementation, staffing, business incubators, and other economic development programs, and projects. Projects can include infrastructure, rural development through tourism, technical assistance, research, marketing/promotion, etc.

CONTACT: Economic Development Administration, PO Box 578, Helena, MT 59601, (406) 449-5380, John Rogers, edrmnteda@aol.com, www.doc.gov/eda. EDA Denver Region (includes Montana): 1244 Speer Blvd, Suite 670, Denver, CO 80204, 303-844-4715, Anthony Preite, Regional Director, apreite@eda.doc.gov

- **U.S. Small Business Administration (SBA)**

DESCRIPTION: The Small Business Administration, established in 1953, provides financial, technical and management support to assist businesses with start-up, perpetuation, and growth. SBA provides business loans, loan guarantees, disaster loans, venture capital, and is the nation's largest, single financial backer of small businesses.

CONTACT: U.S. Small Business Administration, Federal Building, 10 West 15th Street, Suite 1100, Helena, MT 59626, (406) 441-1081, Michelle Johnson, District Director, www.sba.gov/mt/

- **Service Corps of Retired Executives (SCORE)**

DESCRIPTION: Sponsored by the Small Business Administration, SCORE comprises 13,000+ person volunteer program with over 750 locations nationwide. Provides technical assistance to small business owners, managers, and potential owners to solve operating problems through free one-on-one counseling and a wide variety of free or low-cost workshops.

CONTACT: SCORE, (800) 634-0245, (202) 205-6762

STATE OF MONTANA

Montana Department of Commerce (DOC)

DESCRIPTION: The Montana Department of Commerce is responsible for diversification and expansion of the state's economic base through business creation, expansion and retention, and improvement of basic community infrastructure. DOC works with economic and community development organizations, businesses, communities, governmental entities, elected officials, and the public. DOC services and resources include Business Resources, Community Development, Housing, and Promotion Divisions, Board of Housing, Board of Investments, Facility Finance Authority, and the Board of Research & Commercialization.

CONTACT: Montana Department of Commerce, PO Box 200501, Helena, MT 59620, 301 S. Park Ave., Helena, MT 59601, (406) 841-2700, www.commerce.state.mt.us, Economic Development Programs web site: www.commerce.state.mt.us/EconDev/programs

State of Montana
Sources

- **Finance Information Center**

DESCRIPTION: Hosted by the Montana Department of Commerce, www.mtfinanceonline.com is an online center for Montana business finance information. Detailed information about state, federal and local programs can be accessed regarding: business finance, public infrastructure, business tax incentives, local development, tribal resources, housing and technical assistance.

CONTACT: DOC Finance Information Center web site, www.mtfinanceonline.com

- **Small Business Development Center (SBDC)**

DESCRIPTION: The SBDC network consists of ten Small Business Development Centers which operate in partnership with local public or private economic development groups, and are funded by the U.S. Small Business Administration, the Montana Department of Commerce and local contributions. The statewide offices offer counseling, training, and technical assistance to Montana entrepreneurs. SBDC offices are located in Billings, Bozeman, Butte, Colstrip, Great Falls, Havre, Helena, Kalispell, Missoula, and Wolf Point.

CONTACT: Department of Commerce, Small Business Development Center, PO Box 200533, 301 South Park, Helena, MT 59620, (406) 841-2700, www.commerce.state.mt.us/EconDev/SBDC

- **MicroBusiness Finance Program**

DESCRIPTION: The MicroBusiness Finance Program finances business projects that would not otherwise be able to obtain financing from other sources. Montana's MicroBusiness Development Corporations (MBDCs) provide business loans combined with training and technical assistance to help business start-ups or expansion. Statewide offices are located in Billings, Bozeman, Butte, Colstrip, Great Falls, Have, Kalispell, Helena, Missoula, Wolf Point, Lewistown and Glendive. The Montana Department of Commerce provides most of the capital for the revolving loan funds.

REQUIREMENTS: Montana based business with ten or fewer employees and less than \$550,000 annual revenues.

AMOUNT: Maximum loan amount is \$35,000

CONTACT: Department of Commerce, Small Business Development Center, PO Box 200533, 301 South Park Blvd, Helena, MT 59620, (406) 841-2700, www.commerce.state.mt.us/EconDev/BusFin/Micro

- **Special Events Grant Program (SEGP)**

DESCRIPTION: The Special Events Grant Program strives to create and sustain economic development through support of Montana communities, organizations and tribal governments sponsoring or planning special event projects. Grant funds are provided by the Lodging Facility Use

State of Montana Sources

Tax. Eligible project types include attendance events, enrichment activities and promotional events. Events established prior to May 30, 1999 are not eligible for funding.

CONTACT: Department of Commerce Promotion Division, PO Box 200533, 301 South Park, Helena, MT 59620, (406) 841-2870, www.travelmontana.state.mt.us/OURPROGRAMS/TourismDevEd.htm

- **Tourism-Related Infrastructure Grant Programs (TIIP)**

DESCRIPTION: The Promotion Division Tourism Infrastructure Investment Program (TIIP) provides grant funding for non-profit project sponsors to facilitate the development of new tourism-related products, and the enhancement of existing products to encourage visitors to stay longer in the state of Montana. These developments and enhancements should strengthen Montana's attraction as a competitive tourism destination.

AMOUNT: \$10,000

CONTACT: Department of Commerce, Promotion Division, 301 South Park Blvd, Helena, MT 59620, (406) 841-2795, Fax (406) 841-2871, Victor Bjornberg, Tourism Development Coordinator, vbjornberg@state.mt.us, www.travelmontana.state.mt.us/OURPROGRAMS/TourismDevEd.htm

- **Community Tourism Assessment Program (CTAP)**

DESCRIPTION: CTAP is an 8-month "self help" process offered to three communities each year by the Promotion Division with facilitation assistance provided by MSU Extension and the University of Montana Institute for Tourism and Recreation Research. Local community action committees use the process and facilitation services to analyze local resident attitudes about and interest in tourism, their community's tourism potential, gaps in visitor services, and the identification of affordable projects or actions that could strengthen the role of tourism in the local economy.

CONTACT: Department of Commerce, Promotion Division, 301 South Park Blvd, Helena, MT 59620, (406) 841-2795, Fax (406) 841-2871, Victor Bjornberg, Tourism Development Coordinator, vbjornberg@state.mt.us, www.travelmontana.state.mt.us/OURPROGRAMS/TourismDevEd.htm

- **Census and Economic Information Center (CEIC)**

DESCRIPTION: CEIC provides a central comprehensive economic and demographic information resource for the Department of Commerce, public and private agencies, and individuals. Primary focus is acquisition, storage, retrieval, and cost effective access/distribution of data. CEIC provides efficient access to U.S. Census Bureau data, offers support for mapping (GIS), and supplies research and technical assistance via CEIC's comprehensive web site.

CONTACT: Census and Economic Information Center, 301 South Park Blvd, Helena, MT 59620, web site www.ceic.commerce.state.mt.us, Dave Martin, (406) 841-2740

- **Superhost!**

DESCRIPTION: The DOC Promotion Division (Travel Montana) contracts with Flathead Valley Community College to provide a comprehensive customer service training/visitor information program for businesses, communities and individuals. Professional trainers conduct interactive workshops throughout Montana. The Superhost! program creates awareness and understanding of Montana's travel industry and enhances the level of customer service provided by the industry.

CONTACT: Superhost!, Flathead Community College, 777 Grandview Drive, Kalispell, MT 59901, 406-756-3862, Jeri Mae Rowley, Statewide Coordinator, jrowley@fvcc.cc.mt.us, www.travelmontana.state.mt.us/OURPROGRAMS/Superhost

- **Made In Montana (MIM) and Grown In Montana (GIM)**

DESCRIPTION: The Made In Montana/Grown In Montana programs assist the marketing efforts of Montana residents and businesses which produce products within the state. The program allows usage of the MIM or GIM Image/logo on goods proven to contain 50% or more of materials and labor originating within the state. Benefits Include coordination of program promotion by the Montana Departments of Commerce and Agriculture, individual and company listings in the MIM/GIM Products Directory and web site, and participation at the annual MIM/GIM trade show.

CONTACT: Made In Montana, 301 South Park Blvd, Helena, MT 59620, (406) 841-2700, Rebecca Baumann, www.madeinmontanausa.com

Montana Historical Society

DESCRIPTION: The Montana Historical Society, organized by the territorial legislature in 1865, received state approval in 1891 and 1949. MHS is a state agency perpetuated for the use, learning, culture, and enjoyment of the citizens of the state and for the acquisition, preservation, and protection of historical records, art, archival and museum objects, historical places, sites, and monuments, and the custody, maintenance, and operation of the historical library, museums, art galleries, and historical places, sites, and monuments.

CONTACT: Montana Historical Society, 225 N. Roberts, PO Box 201202, Helena, MT 59620, (406) 444-7715, Arnold Olsen, Director, www.his.mt.gov, or www.montanahistoricalsociety.org

State of Montana Sources

■ Montana Lewis & Clark Bicentennial Commission (MLCBC)

DESCRIPTION: The Montana Lewis & Clark Bicentennial Commission was created by the 55th Montana Legislature to aid in preparation for the Bicentennial of Lewis & Clark in Montana to be celebrated from 2003-2006. The Commission is responsible for providing the overall leadership and coordination of Montana's Bicentennial observance. As part of their respective missions, the Montana Lewis & Clark Bicentennial Commission, the Montana Department of Commerce Promotion Division, and the Bonneville Power Administration partnered their financial resources to offer grants to qualified communities, non-profit organizations, and tribes undertaking Lewis & Clark-related projects in preparation for the Bicentennial.

AMOUNT: \$25,000 maximum

CONTACT: Montana Lewis & Clark Bicentennial Commission, PO Box 201203, Helena, MT 59620-1203, (406) 443-2109, Clint Blackwood, Executive Director, cblackwood@state.mt.us, or Rita Cortwright, Administrative Assistant, rcortwright@state.mt.us, www.montanalewisandclark.org

Montana Department of Transportation (MDT)

DESCRIPTION: MDT's mission is to serve the public by providing a transportation system and services that emphasize quality, safety, cost effectiveness, economic vitality and sensitivity to the environment.

CONTACT: Montana Department of Transportation, 2701 Prospect Avenue, PO Box 201001, Helena, MT 59620, (406) 444-3383, (800) 714-7296, www.mdt.state.mt.us

■ Community Transportation Enhancement Program (CTEP)

DESCRIPTION: CTEP projects are transportation related activities that are designed to strengthen the cultural, aesthetic, and environmental aspects of Montana's intermodal transportation system. The CTEP program utilizes Surface Transportation Program (STP) funds for transportation projects selected by local government agencies. MDT has elected to sub-allocate the funds to the local governments for selection and prioritization of local CTEP projects based on population figures provided by the U.S. Bureau of the Census.

CONTACT: Montana Department of Transportation CTEP Program, Mike Davis, (406) 444-4383, midavis@state.mt.us, or Thomas Martin, (406) 444-0809, tmartin@state.mt.us. For policy and procedural requirements information, visit www.mdt.state.mt.us/planning/ctep/default.

■ Aeronautics Division

DESCRIPTION: The MDT Aeronautics Division, responsible for implementation of the Montana State Aviation System Plan, is composed of two bureaus: Safety and Education, and Airport/Airways. Safety and Education is responsible for registering Montana's pilots and aircraft, air search and rescue training, and aviation education. Airport/Airways assists airports with technical expertise, and maintains radio beacons, air-to-ground communication sites, and fifteen state-owned airports. The Aeronautics Division manages airport loans and grant programs, and is advised by the Aeronautics Board which represents various facets of the industry. Airport aid information is available online, or by contacting the Aeronautics Division.

CONTACT: Montana Department of Transportation, Aeronautics Division, 2701 Prospect Avenue, PO Box 201001, Helena, MT 59620, (406) 444-2506, Debbie Alke, Administrator, www.mdt.state.mt.us/aeronautics

Montana Department of Natural Resources & Conservation (DNRC)

DESCRIPTION: The Montana Department of Natural Resources and Conservation, established in 1995, is responsible for sustaining and improving the benefits derived from water, soil, forests, and rangeland. DNRC manages the state's trust land resources, protects Montana's

State of Montana Sources

natural resources from wildland fires, promotes conservation of oil and gas. DNRC manages and assists with several grant and loan programs, including renewable resource, reclamation and development, treasure state endowment, and wastewater revolving fund programs. Various grants and loans are available. The *Lewis and Clark Bicentennial Sourcebook* (www.doi.gov or www.lewisandclark200.org) contains several listings.

CONTACT: Montana Department of Natural Resources & Conservation, 1625 Eleventh Avenue, PO Box 201601, Helena, MT 59620, (406) 444-2070, Fax (406) 444-2684, www.dnrc.state.mt.us

Montana Department of Fish, Wildlife & Parks (FWP)

DESCRIPTION: Montana Fish, Wildlife and Parks seeks to sustain the diverse fish, wildlife and parks resources and recreational opportunities essential to a high quality of life for Montanans and nonresident visitors. Partnerships have been formed with other agencies, local governments, private sector businesses, non-profit organizations, and individuals to accomplish FWP goals. Several grant programs are available for funding a diversified range of projects. Contact Fish, Wildlife and Parks for requirements and amounts.

CONTACT: Montana Fish, Wildlife & Parks, 1420 East Sixth Avenue, Helena, MT 59620, (406) 444-4585, www.fwp.state.mt.us

▪ Funding Sources for Trails

DESCRIPTION: FWP provides funding for trail projects on routes legally designated or otherwise appropriately approved by the land management agency. Private sources of trails funds include non-profit organizations, either directly or indirectly associated with trails, as well as corporate and business sponsors. The Trails Grant Program includes the promotion of responsible trail use, ethics and safety. Recreation trails funds can be used for all types of trails including non-motorized, motorized, multiple use, community, rural and backcountry. Private trail clubs and public agencies are eligible to receive money from this program. The department also provides advice and assistance with trail design and management. Grant Applications can be downloaded from FWP's web page www.fwp.state.mt.us/parks/default.asp.

▪ Recreational Trails Program (RTP)

DESCRIPTION: RTP funds may be used for trail development, renovation, maintenance, acquisition, safety, and interpretation. The RTP Program receives a share of the Federal Highway Trust Fund based on an estimate of motorized, non-highway recreational fuel consumption. At least 30% of the RTP funds must be allocated to motorized recreation, 30% to non-motorized recreation, and the remaining 40% is discretionary for diversified/mixed trails use. The Recreational Trails Program allows a maximum of 7% of a state's appropriation to be used for administration.

▪ Off-Highway-Vehicle (OHV) Program

DESCRIPTION: The OHV program supplies grants to maintain and renovate existing OHV trails and facilities, and to create safety and educational programs. It is funded by OHV decal and registration fees, as well as a portion of the state gasoline dealers' license tax, based on the number of registered off-road vehicles. OHV Program grants may be approved for: trail maintenance and renovation, equipment, signs, labor and administrative costs, trail mapping, and special studies. Information about the OHV Trails program or a grant application packet may be obtained by calling (406) 444-7317, or e-mail rpaige@state.mt.us. Grant Applications can be downloaded from FWP's web page www.fwp.state.mt.us/parks/default.asp.

▪ Snowmobile Grant Program

DESCRIPTION: The snowmobile grant program supplies funds to provide, maintain, and renovate existing snowmobile trails and facilities on federal, state, county, and private land, and to create safety and educational programs.

▪ Land and Water Conservation Fund (LWCF)

DESCRIPTION: The Land & Water Conservation Fund is a federal grant program encouraging a full partnership between national, state, and local governments in planning and funding outdoor recreation projects. In Montana, LWCF is administered by State Parks, a division of Montana Fish, Wildlife & Parks, with federal oversight and assistance by the National Park Service. Grants are provided for the acquisition and development of public outdoor recreation areas and outdoor facilities. Grants may be used to provide up to 50% of costs and must be

matched with non-federal funds. LWCF is a reimbursement program. Any political subdivision of the state, or sovereign Indian Nation, may sponsor a project. This includes incorporated cities/towns, counties, school districts, state agencies, and tribal governments.
CONTACT: Montana Fish, Wildlife & Parks, 1420 East Sixth Avenue, Helena, MT 59620, (406) 444-4585, www.fwp.state.mt.us/parks/landw/, Walt Timmerman, (406) 444-3818, wtimmerman@state.mt.us, or Kirsten Shelton, (406) 444-3753, kshelton@state.mt.us

State of Montana Sources

Montana Universities and Colleges

- **Montana Business Connections: The Entrepreneurship Center (UM)**

DESCRIPTION: The Entrepreneurship Center is a central clearinghouse for resources and information on business assistance and economic and community development available. Included on the Internet site are a resource directory database of business assistance and community development resources, a comprehensive business calendar, and the Montana Manufacturers Information System (MMIS).

CONTACT: Bob Campbell, Director, Montana Business Connections, University of Montana, 242 Gallagher Business Bldg, Missoula, MT 59812, (406) 243-4009, Fax (406) 243-2086, www.mbc.umt.edu

- **Institute for Tourism & Recreation Research (ITRR - UM)**

DESCRIPTION: ITRR, located at the University of Montana-Missoula, serves as the research arm for Montana's tourism and recreation industry. Funded by the state Lodging Facility Use Tax, ITRR conducts studies on travel, recreation and tourism that are of specialized interest to regions, counties, agencies, businesses and other industry stakeholders. Ongoing research projects monitor resident attitudes, community tourism assessments, and nonresident travel and visitor characteristics. Study results are available online.

CONTACT: ITRR, University of Montana, 32 Campus Drive. #1234, Missoula, MT 59812, (406) 243-5686, www.forestry.umt.edu, Norma Nickerson, Director, itrr@forestry.umt.edu

- **Bureau of Business & Economic Research (BBER-UM)**

DESCRIPTION: BBER is the research department within the University of Montana – Missoula's School of Business Administration which monitors the state's economic and business conditions. BBER conducts research to determine Montanans' attitudes and opinions regarding economic and social issues, and collects and provides economic and industry data to assist businesses, government agencies and individuals.

CONTACT: University of Montana, Missoula, www.bber.umt.edu

- **Extension Service (MSU-Bozeman)**

DESCRIPTION: Located at Montana State University-Bozeman, the Extension Service program disseminates research-generated knowledge to individuals, families and communities about improving agriculture, forestry and other businesses in order to strengthen Montana's families and communities. Expanded partnerships with MSU-Bozeman colleges, MSU-Northern, MSU-Billings, the MSU College of Technology, Rocky Mountain College, seven Montana tribal colleges, the University of Montana and other state, federal and private institutions in Montana and the Rocky Mountain Region provide a conduit to increase awareness of Extension Service educational and research resources. Programs and services are available to municipal and county governments, business and industry, public schools, health care providers, the general public, and agricultural/forestry producers.

CONTACT: Montana State University, Bozeman, MT 59717, (406) 994-4636, [//extn.msu.montana.edu](http://extn.msu.montana.edu)

NONPROFIT/LOCAL

Montana Community Foundation

DESCRIPTION: The Montana Community Foundation provides grant funds to Montana community organizations for projects related to the arts, economic and community development, education, the environment, natural resources, and human resources.

CONTACT: Montana Community Foundation, Sidney Armstrong, Executive Director, 101 N. Last Chance Gulch, Suite 211, Helena, MT 59601, (406) 443-8313, mtcf@mt.net, www.mtcf.org

Nonprofit/Local Sources

Montana Rural Development Partners (MRDP)

DESCRIPTION: Montana Rural Development Partners, Inc. supports locally conceived strategies to sustain, improve, and develop vital and prosperous rural Montana communities by encouraging communication, coordination, and collaboration among private, public and tribal groups. Programs include resource team assessments of rural communities, and operation of several listservs to encourage communication across the state. Listservs include: MEDA Members, Certified Communities, Montana Ambassadors, Montana Revolving Loan Fund, Montana Incubator Network, Southwest Montana Technology Network, and Friends of Montana. Subscriptions to the listservs are available via email to MRDP.

CONTACT: Montana Rural Development Partners, Inc, 118 E. Seventh St.; Suite 2A, Anaconda, MT 59711, (406) 563-5259, Fax: (406) 563-5476, gloria@mtrdp.org, www.mtrdp.org

Montana Economic Developers Association (MEDA)

DESCRIPTION: The Montana Economic Developers Association (MEDA) is a non-profit association of economic development professionals.

MEDA is a certified community of "lead" economic developers, business specialists, government employees, and staff members of affiliated non-profit organizations which promote or foster economic development activities in Montana. Current MEDA projects include: coordinating PPL-Montana Economic Development Workshops, facilitating working groups for Revolving Loan Fund and Montana Incubator Network interests, providing education on public policy, and fostering growth of economic development. MEDA's web site includes many useful links to other state, federal, and private resources.

CONTACT: Montana Economic Developers Association, c/o Montana Rural Development Partners, Inc, 118 E. Seventh St.; Suite 2A, Anaconda, MT 59711, (406) 563-5259, Fax: (406) 563-5476, gloria@mtrdp.org, www.mtrdp.org

Travel Industry Association of America (TIA)

DESCRIPTION: TIA is an authoritative source of research, analysis, and forecasting for the domestic and international travel industry. TIA provides marketing programs, forums, marketing, research, and publications to increase understanding of tourism's impact. A subsidiary of TIA, the State Travel Information Center Directors' Alliance (STICDA), supplies information for state-operated visitor information centers about options for operations, staffing, funding, information distribution, merchandising, research, major improvements, and visitor services.

CONTACT: Travel Industry Association of America, 1100 New York Avenue, NW, Ste. 450, Washington, DC 20005, (202) 408-8422, www.tia.org

National Main Street Center (NMSC)

DESCRIPTION: The National Main Street Center helps downtowns and neighborhood commercial districts to build strong economic development programs through historic preservation. The National Trust for Historic Preservation, NMSC's parent organization, encourages preservation of sites, buildings and objects significant in American history and culture. NMSC provides on-site technical assistance, sponsors workshops and conferences, publishes training materials, and offers a certification program in professional downtown management. The National Main Street Network is an organizational membership program that helps communities learn from each other's revitalization experiences.

CONTACT: National Main Street Center, National Trust for Historic Preservation, 1785 Massachusetts Avenue, NW, Washington, DC 20036, (202) 588-6219, www.mainstreet.org

American Planning Association (APA)

DESCRIPTION: The American Planning Association is a nonprofit, public interest, and research organization representing practicing planners, officials, and citizens involved with urban and rural planning issues. APA encourages planning that will meet the needs of people/society more effectively, advocating for policy changes to incorporate planning principles at all levels of government. The Public Information Office of APA educates the media, public, and policy makers on land-use planning issues. Extensive research and publications on planning topics are available via audio conferences, manuals, training workshops, video/audio tape and site.

CONTACT: American Planning Association, 122 S. Michigan Avenue, Suite 1600, Chicago, IL 60603, (312) 431-9100, www.planning.org; Western Central Chapter, Ramona Mattix, President, c/o Yellowstone County Planning Department, 4th Floor, Parmly Library, 510 North Broadway, Billings, MT 59101, (406) 657-8289, MattixR@ci.billings.mt.us

Nonprofit/Local Sources

Local Economic Development Corporations (EDC)

DESCRIPTION: Local economic and community development corporations are located in most areas of Montana. These non-profit organizations strive to improve the economy of their areas by providing assistance to new and expanding businesses, creating income opportunities for residents, and assisting with technical and grant writing.

CONTACT: Contact information can be found on the Montana Rural Development Partners (MEDA) web site membership list, www.mtrdp.org, and Montana Economic Development Directory, www.ecodevdirectory.com/montana.htm

Montana Community Development Corporation (MCDC)

DESCRIPTION: Montana Community Development Corporation is a private, non-profit organization. MCDC's goal is to improve the economy of western Montana by providing assistance to new and expanding businesses, sustain communities and create income opportunities for low and moderate income residents. Services are offered in the following western Montana counties: Missoula County, Ravalli County, Sanders County, Mineral County and South Lake County. MCDC's trained commercial loan officers are available to assist in obtaining the financing needed. Direct loans can be made from MCDC loan funds, or MCDC can assist with accessing bank loans or government-backed loan funds.

CONTACT: Tracey Spoonemore, 103 E. Main Street, Missoula MT 59802, (406) 728-9234, www.mtcdc.org, tspoon@mtcdc.org

Bonner Development Group, Inc. (BDG)

DESCRIPTION: The Bonner Development Group is a proactive, grassroots organization of west Montana community residents who work cooperatively to promote growth that will achieve a balance between the native beauty of the community environment and the commercial, residential, and industrial development that brings employment, prosperity, and infrastructure support.

CONTACT: Bruce Hall, PO Box 731, Milltown, MT 59851, (406) 258-5268

Glacier Action and Involvement Now (GAIN)

DESCRIPTION: Glacier Action and Involvement Now (GAIN) serves as Glacier County's local economic and community development organization and is organized to assist, where possible, in developing a more vibrant economy for the residents and businesses of Glacier County. GAIN provides technical and grant writing assistance to individuals, units of local government and other organizations. GAIN is intimately involved in working in coalition with others in north central Montana on the development of a comprehensive strategy to attract Lewis & Clark visitors and developments to their part of Montana.

CONTACT: GAIN, Inc., Executive Director, PO Box 1329, Cut Bank, MT 59427, (406) 873-2337

Valier Development Corporation

DESCRIPTION: Valier Development Corporation is an organization dedicated to the general economic growth of the Valier area, including a tri-county Lewis & Clark Bicentennial effort in north central Montana, representing interests of Valier area.

CONTACT: Valier Development Corporation, Reid Stuart, Secretary, (406) 279-3331

Bear Paw Development Corporation

DESCRIPTION: Bear Paw Development Corporation is a private, non-profit organization created for the purpose of administering programs to help improve regional economic conditions in Hill, Blaine, Liberty and Chouteau Counties and the Fort Belknap and Rocky Boy's Indian Reservations. Bear Paw Development Corporation, a certified Microbusiness Development Corporation (MBDC), provides business loans combined with training and technical assistance to local residents.

CONTACT: Bear Paw Development Corporation, 48 Second Ave., PO Box 170, Havre, MT 59501, (406) 265-9226, Fax (406) 265-5602 www.bearpaw.org

PRIVATE

Private Sources

Dennis & Phyllis Washington Foundation, Inc.

DESCRIPTION: The D&PWF funds education, youth development, and programs for the economically disadvantaged, primarily in areas of company operations in Montana.

CONTACT: Russell J. Ritter, President, PO Box 7067, Missoula, MT 59807-7067, (406) 523-1300.

Montana Power Foundation, Inc.

DESCRIPTION: The MPF funds arts/cultural programs, education, community development and conferences/seminars, primarily in areas of company operations in Montana.

CONTACT: William D. Cain, Manager, 40 East Broadway, Butte, MT 59701-9394, (406) 497-2602, bcain@mtpower.com, www.mtpower.com/community/foundation

Burlington Northern Santa Fe Foundation

DESCRIPTION: The BNSF Foundation funds literacy, education, children/youth services and arts/cultural programs, in areas of company operations in the midwest, north, northwest, southeast, southwest, and the west.

CONTACT: Dick Russack, President, 5601 West 26th Street, Cicero, IL 60804, (708) 222-4815.

Northwest Area Foundation (NWAf)

DESCRIPTION: The Northwest Area Foundation focuses on long-term poverty reduction in an eight-state region (MN, IA, ND, SD, MT, ID, WA, OR). NWAf works with communities to reduce poverty, providing expertise and other resources rather than supporting individual institutions with grant funding, and uses three programs to help communities develop long-term solutions to poverty: 1) The *Community Ventures* program is based on need, opportunity, and potential impact of the program to reduce poverty. There are no applications for the *Community Ventures* program as communities are identified on the basis of NWAf research. 2) The *Community Connections* program facilitates access to products, services, knowledge, financial/other resources, and information which communities need most to form partnerships and reduce poverty. 3) *Community Horizons* helps new and existing community leaders gain skills and resources to stem decline in the community.

CONTACT: Northwest Area Foundation, 60 Plato Boulevard East, Suite 400, St. Paul, MN 55107, (651) 224-9635, www.nwaf.org

The Trust for Public Land (TPL)

DESCRIPTION: The Trust for Public Land works to protect/conservate land to improve the quality of life for people and communities, and to protect natural and historic resources for future generations. TPL offers assistance to source financing for parks and open space, helps generate federal, state, and local conservation funding, and promotes the importance of public lands.

CONTACT: The Trust for Public Land, 2610 University Avenue, Suite 300, St. Paul, MN 55114, (651) 917-2240, www.tpl.org

GrantStation.com

DESCRIPTION: GrantStation.com offers a subscription-based, comprehensive, searchable online database for sourcing public and private funding and grants. GrantStation also provides comprehensive instructions for finding and developing funding leads, grant applications and educational tools for securing available funding. Emphasis is on customized grant searches which link nonprofit organizations to current sources of grant money.

CONTACT: GrantStation.com, (877) 784-7268, www.grantstation.com

Private Sources

US West Foundation

DESCRIPTION: The U.S. West Foundation funds arts/cultural programs, education, youth development and programs for the economically disadvantaged in states served by US West (now Qwest), including Iowa, Idaho, Montana, North Dakota, Nebraska, Oregon, South Dakota & Washington.

CONTACT: Jane Prancan, Vice President and Executive Director, 1801 California Street, Suite 1360, Denver, CO 80202 (303) 896-4465, (800) 843-3383, www.uswf.org

Conservation Assistance Tools (CAT)

DESCRIPTION: Conservation Assistance Tools (CAT) is a searchable database of grants, cost sharing, and technical assistance available for natural resources projects in the western United States. It is designed to help local communities, nonprofits, and government agencies reach the information, potential partners, and financial support needed to accomplish grassroots conservation projects in the West. This database has over 1,100 different grant and technical assistance sources for 16 western states, including all the U.S Fish and Wildlife Service Region 6 States - the culmination of three years of effort on the part of the eight federal, state and nonprofit partners. The database resides on the server of the Sonoran Institute, a nonprofit organization in Tucson, Arizona.

CONTACT: www.sonoran.org

W.K. Kellogg Foundation

DESCRIPTION: The W.K. Kellogg Foundation funds youth development, minorities, rural development and seed money for worthy projects.

CONTACT: Karen E. Lake, Director of Communications and Marketing, 1 Michigan Avenue East, Battle Creek, MI 49017-4058, (616) 968-1611, www.wkkf.org

The Kresge Foundation

DESCRIPTION: The Kresge Foundation funds arts/cultural programs, environment, capital campaigns and land acquisition.

CONTACT: John E. Marshall III, President and CEO, 3215 West Big Beaver Road, PO Box 3151, Troy, MI 48007-3151, (248) 643-9630, www.kresge.org

J. Paul Getty Trust

DESCRIPTION: The JPG Trust funds cultural/ethnic awareness, history and archaeology, museums, historic preservation and related program development.

CONTACT: The Getty Grant Program, 1200 Getty Center Drive, Suite 800, Los Angeles, CA 90049-1685, (310) 440-7320, www.getty.edu/grant

Ben & Jerry's Foundation, Inc.

DESCRIPTION: B&J Foundation funds child development, education, natural resources conservation, community development and race/intergroup relations projects.

CONTACT: Debby Kessler, Administrative Assistant, 30 Community Drive, South Burlington, VT 05403, (802) 846-1500, www.benjerry.com/foundation

Private Sources

Gannett Foundation, Inc.

DESCRIPTION: The Gannett Foundation funds literacy, education, natural resource conservation, community development and project seed money in communities served by Gannett publications.

CONTACT: Irma Simpson, Manager, 1100 Wilson Blvd., 30th Floor, Arlington, VA 22234, www.gannett.com/map/foundation, isimpson@gci.gannett.com

Heineman Foundation for Research, Education, Charitable and Scientific Purposes, Inc.

DESCRIPTION: The Heineman Foundation funds language and linguistics, education, child development, natural resource conservation, race/intergroup relations, program development and project seed money.

CONTACT: Brown Brothers Harriman Trust Co., 63 Wall Street, New York, NY 10005

Lannan Foundation

DESCRIPTION: The Lannan Foundation funds literature, arts/cultural programs, rural Native American communities and land acquisition.

CONTACT: Linda Hughes, Administrator, 313 Read Street, Santa Fe, NM 87501, (505) 986-8160

John D. and Catherine T. MacArthur Foundation

DESCRIPTION: The JD&CTM Foundation funds community development, natural resource conservation, arts/cultural programs and related program development.

CONTACT: Richard Kaplan, Director of Grants Management, Research and Information, 140 South Dearborn Street, Suite 1100, Chicago, IL 60603-5285, (312) 726-8000, www.macfdn.org, Answers@macfdn.org

The Shelley & Donald Rubin Foundation, Inc.

DESCRIPTION: The Rubin Foundation funds cultural/ethnic awareness, natural resource conservation, and programs for minorities.

CONTACT: Evelyn Jones Rich, Executive Director, 115 5th Avenue, 7th Floor, New York, NY 10003, (212) 780-2035, www.sdrubin.org

This appendix lists the reference materials, web sites and other information sources used by the planning team during the development of the Montana Tourism & Recreation Strategic Plan document. For further details, contact the source agency or organization.

Appendix D: **Reference Materials**

Travel Industry Association of America (TIA)

Washington, D.C.

(202) 408-8422, www.tia.org

- U.S. Tourism 2001-2002
- TIA 2002 Outlook on Cultural, Arts & Heritage Tourism
- TIA 2002 Outlook on Family Travel
- TIA 2001 Auto Travel
- TIA 2002 Outlook on European Travel to the U.S.
- TIA 2002 Outlook on Asian-Pacific Travel to the U.S.
- TIA 2002 Outlook on Canadian & Mexican Travel to the U.S.
- TIA Forum Notes, October 2001
- 1988-2002 TIA Press Releases

Governor's Office of Economic Opportunity

Helena, Montana

Contact: Dave Gibson

(406) 444-5634, www.state.mt.us/gov2/css

- A Framework for Economic Development, Jan 2002
- Business Montana Interim Report for MT Legislature, Aug. 2000

Dept. of Commerce Promotion Div. (Travel Montana)

Helena, Montana

Contact: Betsy Baumgart

(406) 841-2872, www.travelmontana.state.mt.us

- www.visitmt.com
- Montana 5-Year Tourism Strategic Plans, 1998-2002, 1993-1997
- 1998-2002 Tourism Strategic Plan Action Booklet
- FY03 Travel Montana Tourism Program & Budget
- Travel Montana 5-Year Marketing Plan, July 1998-June 2003
- Tourism & Film Marketing Plan 1999-00, 1998-99, 1997-98/2001
- Report on the Montana Tourism Industry, Nov. 2000
- Internet Conversion Research Report, Jan 2002
- Image and Positioning Assessment, December 1999, by Strategic Marketing and Research
- PI/TV Travel Conversion Study, Nov. 1997, Oct. 1998
- Montana Vacation Guide 2000-2001, 2001-2002
- Montana Winter Guide 2001-2002
- Montana Travel Planner 2000-2001
- 2002-2003 Meeting Planners Guide
- Montana Calendar of Events

- FY02 Warm Season Consumer Advertising Report, Feb. 2002
- FY02 Winter Campaign
- FY00 Warm Season Consumer Advertising Report
- Travel Montana Grant Program Info/Application
- CTAP Report, Kalispell Visitor Profiles 2001/2001 (1996 info)

MTRI – Montana Tourism and Recreation Initiative

Helena, Montana

Contact: Carol Crockett

(406) 841-2796, www.travelmontana.org

- MTRI History PowerPoint Presentation, 2001
- Memorandum of Understanding (MOU)
- MTRI Focus Team meeting notes (Oct. 1998 – Feb. 2000)
- MTRI 1999 Report of Activities
- Montana L&C Bicentennial Interpretive Sign Plan
- L&C Bicentennial Project Templates (Feb. 2000)
- Proposed L&C "91 Projects" in Montana, & Partnerships

ITRR – UM Institute for Tourism & Recreation Research

Missoula, Montana

Contact: Norma Nickerson or Thale Dillon

(406) 243-2328, www.forestry.umt.edu/itrr

- Publication list of available ITRR materials
- RR 2002-8 Nonresident *FALL* Visitor Profile, Aug 2002
- RR 2002-5 Nonresident *SUMMER* Visitor Profile, Apr. 2002
- RR 2002-2 Nonresident *SPRING* Visitor Profile, Feb. 2002
- RR 2001-7 Nonresident *WINTER* Visitor Profile Dec. 2001
- RR 2001-1 Visitors to Lewis & Clark Sites, Jan. 2001
- 2002 Outlook, Feb. 2002
- ITRR Travel and Recreation Outlook 2001
- An Economic Review of the Travel Industry in Montana 2000 Ed.
- "Issues and Answers", Estimation & Awareness Study, Jan. 2000
- RR 75 Regional *Nonresident* Spending in Montana, Mar. 2000
- *Montana Vision*, 2000 and 2001 issues
- *Montana Vision-Travel Research*, Feb. 2000
- RR 77 Lewis & Clark Interest & Awareness Study (PLOG Research), May 2000
- RR 2000-2 Regional Analysis of Pleasure Travel by Montana Residents, Oct. 2000

- RR73 Characteristics and Estimates of Visitors to Montana's Historic Virginia and Nevada Cities, Feb. 2000
- RR 69 Montana Resident Pleasure Travel, Nov. 1999
- RR 68 Recreation Participation Patterns by Montana Residents, Sept. 1999
- 1999 Montana Nonresident Travel Fact Sheet
- 1999 Nonresident Travel Estimates (\$)
- TCR 98-6 Expenditure Profiles & Marketing Responsiveness of Nonresident Visitor Groups to Montana 9/98
- TCR 98-1 A National Study of Domestic Travel: Results for Montana, Analysis of Secondary Data from 1995 American travel Survey, USBTs, May 1998
- RR 51 Nonresident Summer Travelers to Montana-Profiles and Characteristics Sept. 1997
- RR 55 Nonresident Summer Travelers to Montana: Tourism Region Report Apr. 1998
- Kalispell/Flathead Valley Economic Impact of Visitors - 1996 data, Jan. 2002
- ITRR Bicentennial Visitation Study

Montana Historical Society

Helena, Montana

Contact: Arnold Olsen

(406) 444-4706, www.his.state.mt.us

- 1999-2000 MHS Annual Report
- MHS Summer 2001 Survey Results

Montana Arts Council

Stevensville, Montana

Contact: Cinda Holt

(406) 777-0090, www.arts.state.mt.us

- Highlights of the FY 1997 Economic Activity of Montana's Non-Profit Arts Industry
- Building Arts Participation Handbook for Rural America 2002

Montana Regional Marketing Plans & Tourism Info

- Whitefish CVB, www.whitefishchamber.org
- West Yellowstone CVB, www.westyellowstonecvb.visitmt.com
- Missoula CVB, www.missoulachamber.com/cvb/
- Flathead Valley CVB, www.fcvb.org
- Helena CVB, www.helenacvb.visitmt.com
- Great Falls CVB, www.greatfallscvb.visitmt.com
- Butte CVB, www.butteinfo.org
- Bozeman CVB, www.bozemancvb.visitmt.com
- Billings CVB, www.billingscvb.visitmt.com
- Russell Country, www.russell.visitmt.com
- Yellowstone Country, www.yellowstone.visitmt.com

- Custer Country, www.custer.visitmt.com
- Glacier Country, www.glacier.visitmt.com
- Missouri River Country, www.missouririver.visitmt.com
- Gold West Country, www.goldwest.visitmt.com

Montana Department of Revenue, Lodging Tax Info

Helena, Montana

Contact: Dept. of Revenue, Kurt Alme

(406) 444-6900, www.state.mt.us/revenue

- Lodging Facility Use Tax Guide, MT Dept. of Revenue, rev. 3-2000
- MCA-Lodging Facility Use Tax, Oct. 2001
- TM Lodging Tax Revenue Reports: 1999-2001 State/Region/City; Apr. - June 2001; Jan. - Mar. 2001
- TM Regulations & Procedures: Use of Lodging Facility Tax Revenue June 2001
- Montana Lodging Facilities, Mar.16, 2000
- ITRR Occupancy Statistics 1987-1999
- Gross Lodging Tax Revenue 3/17/00
- Custer Country Gross Lodging Tax Revenue 3/17/00
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Montana Fish, Wildlife & Parks

Helena, Montana

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(406) 444-3756, www.fwp.state.mt.us

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Montana Department of Transportation (MDT)

Helena, Montana

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(406) 444-3143, www.mdt.state.mt.us

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Montana Lewis & Clark Bicentennial Commission

Helena, Montana

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(406) 443-2109, www.montanalewisandclark.org

- *Legacy: Montana Lewis & Clark Bicentennial Master Plan*
- Lewis & Clark Bicentennial Projects Jan. 2000 ("91 Projects")
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- Commission Overview and Resource Library
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Montana Tribal Tourism Alliance

Helena, Montana

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- Proposed Tribal L&C Projects in Montana ("91 Projects")
- Tribal L&C Bicentennial Plans
- Montana Indian Reservations Map
- Assorted Montana Tribal Travel/Tour Guides
- Tribal Colleges Information

Bureau of Land Management

Lewistown, Montana

Contact: Clark Whitehead

(406) 538-7461, www.mt.blm.gov

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U.S. Army Corps of Engineers

Fort Peck, Montana

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(406) 526-3411, www.usace.army.mil

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U.S. Fish and Wildlife Service

Helena, Montana

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(406) 449-5225, www.fws.gov

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National Park Service

Deer Lodge, Montana

Contact: Scott Eckberg

(406) 846-2070, www.nps.gov

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U.S. Forest Service

Missoula, Montana

Contact: Keith Thurkill

(406) 329-3602, www.fs.fed.us

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